

Charity Registration No. 253481

JOHN MOORES FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2017

JOHN MOORES FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Barnaby Moores Nicola Eastwood Christina Mee Kevin Moores
Grants Director	Phil Godfrey
Charity number	253481
Principal address	1st Floor Front Office 96 Bold Street Liverpool L1 4HY
Auditor	BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
Bankers	Allied Irish Bank 1 St Pauls Square Old Hall Street Liverpool L3 9PP
Investment advisors	Veritas Investment Managers 90 Long Acre London WC2E 9RA Rathbone Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW

JOHN MOORES FOUNDATION

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JOHN MOORES FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2017

The trustees present their report and accounts for the year ended 5 April 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

The Foundation is a grant making charitable trust. The aims and objectives of the Foundation were widely drawn at the beginning to allow for changing patterns of need. Current policy is to confine giving to the following areas:

- I **Merseyside** is the first concern of the Trustees and receives around 60-75% of the annual grant total.
- II **Northern Ireland** on average receives around 25% of the annual grant total.
- III **One-off exceptional grants** are rare and unspecific and are to causes that interest Trustees.

Trustees do not respond to unsolicited requests in category III

Policy

Grant making is mainly directed towards new and/or small organisations in the area of Merseyside (including Skelmersdale, Ellesmere Port and Halton) and in Northern Ireland, who work with disadvantaged or marginalised people and who find it more than usually difficult to raise money from other sources. Preference is given to organisations seeking funding for projects which fall within the Foundation's target areas for giving which are:

- local community groups
- black and minority ethnic organisations
- women including girls
- second chance learning
- advice & information to alleviate poverty
- grassroots social health initiatives
- training for voluntary organisations
- joint working and trust-building initiatives
- equality and diversity

And, in Merseyside only:

- refugees
- children and young people
- family support
- homeless people
- people with disabilities
- carers

Trustees will continue to review the Foundation's grant making policy at regular intervals. The last review for Merseyside and Northern Ireland was carried out in 2016.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

Achievements and performance

Grant making 2016/17

Statistics

During the year 2016/17, 223 written applications were received (201 in 2015/16), of which 160 were from Merseyside (106 in 2015/16), 53 from Northern Ireland (83 in 2015/16) and 10 from other areas (12 in 2015/16).

In 2016/17 in Merseyside, 88 grants were paid totalling £492,090 (compared with 88 grants totalling £516,172 in 2015/16). Of these 29 were revenue grants of more than one year (47 in 2015/16). Approximately 60% of grants given in Merseyside were for £5,000 or less (55% in 2015/16).

In 2016/17 in Northern Ireland, 59 grants were paid totalling £215,344 (compared with 58 grants totalling £216,486 in 2015/16). Of these 2 were revenue grants of more than one year (1 in 2015/16). In Northern Ireland 100% of grants were for £5,000 or less (100% in 2015/16), with an average of £3,650 (£3,733 in 2015/16). A complete list of grants paid during the year is at the end of this report.

Trends

After 4 years of a steady decline in applications received, those shortlisted for consideration and the number of grants awarded; we have recorded an increase in applications received in 2016/17. However, there has been a small decrease in the total amount granted*

(*Data collected from Merseyside only)

The highest number of applications received in 2016/17 **in Merseyside**, were for Young People, Community Organisations, Family Support and BEM groups. The fewest applications came for Training for Voluntary Organisations, Second Chance Learning and Refugees/Asylum Seekers.

The highest number of applications received in 2016/17 **in Northern Ireland**, were for Local Community groups, Equality and Diversity and Grassroots Social Health Initiatives. The fewest applications came for Second Chance Learning, Training for Voluntary Organisations and Advice and Information to Alleviate Poverty projects.

JMF's most funded area remains Liverpool followed by Northern Ireland, Merseyside wide grants and Wirral.

Monitoring of grants made

The policy of Trustees is to monitor all grants made through written reports and visits wherever possible. The Grants Monitoring & Evaluation Worker undertakes this task in Merseyside and the NI Trust Officer in Northern Ireland.

Outstanding commitments

A number of grants have been agreed, either during the year or in previous years, which had not been taken up by 5 April 2017. All grant offers remain open for 12 months although occasionally, in exceptional circumstances, this period of offer is extended. At the end of 2016/17 there were 46 such grants outstanding (34 in 2015/16), with a total value of £251,402 (£290,165 in 2015/16), some of them payable over more than one year.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

Financial review

Total income for the year was £844,353, a decrease of £87,370 on the previous year.

Total expenditure amounted to £1,012,294, compared to £1,041,850 in the previous year.

Overall, before movements on investments, there were net outgoing resources of £102,886 on the Income Fund.

As a result of these movements, funds held at the year end totalled:

Unrestricted Income Fund surplus of £119,045 (2016; deficit £42,828). £264,759 was transferred temporarily to the AIB grants account to aid cashflow and will be reinvested next year.

Restricted Expendable Endowment Fund £26,889,864 (2016; £25,354,765).

Reserves Policy

The Trustees have the discretionary power to convert part or all of the Restricted Expendable Endowment Fund into income and apply such funds for the purposes of the Foundation. In the absence of exceptional circumstances which require such action, the Trustees will continue to invest Expendable Endowment Fund assets and utilise income generated therefrom for the purposes of the Foundation.

On the Unrestricted Income Fund, year on year, the Trustees plan to make full distributions of available income, subject to making adequate reserves for known and future potential liabilities and commitments. In line with their stated reserves policy, the Trustees have reduced the balance held on Unrestricted Income Fund from £766,610 in April 2003 to £119,045 at 5 April 2017.

Investment Policy

The Trustees' investment policy is to seek a balance between capital and income growth, consistent with achieving a reasonably high level of income and a low level of capital volatility, whilst protecting the capital from the effects of inflation.

The charity is entirely funded by income generated by its investment portfolio. This income enables the charity to achieve its charitable objectives of supporting community organisations carrying out charitable work in Merseyside and Northern Ireland.

The charity has no defined benefit pension scheme or pension asset and, therefore, has no risk of any material pension liability.

The Charity's assets can be invested widely and should be diversified by asset class, and by security. Asset classes may include: cash, bonds, equities, property, structured products, commodities, hedge funds, private equity and any other asset that is deemed suitable. The following is not permitted: direct exposure to arms and tobacco related stocks.

Risk Assessment

The Trustees examine the major risks that the charity faces each year. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

Public Benefit

Our grant making activities in 2016/17 demonstrated, in all accepted definitions, that John Moores Foundation provides charitable services that are of public benefit. We will continue to hold the delivery of public benefit as a key driver of our work.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

Future plans

The Foundation aims to maintain its annual grant giving at approximately £700,000. The Trustees continue to wish only to fund projects of real quality and reserve the right to turn down applications which may appear to fall within our criteria.

Following a consultation and selection process carried out by Asset Risk Consultants on behalf of JMF in the summer of 2016, two new investment managers have been selected by the Trustees to replace Royal Bank of Canada. The outcome of the consultation was the appointment of London based Veritas Investment Managers and Rathbones Investment Managers located in Liverpool. A good working relationship was in place with both new managers as per the end of financial year 2016/17. Trustees regularly receive updates about portfolio performances in the form of reports and visits from the managers.

Structure, governance and management

John Moores Foundation was set up by a Trust Deed on 30 December 1964, with the object of providing funds for charitable purposes. The Foundation was registered as a charity on 15 August 1967, charity number 253481.

The trustees who served during the year were:

Barnaby Moores
Nicola Eastwood
Christina Mee
Kevin Moores

The board of trustees administers the Foundation. Trustees are appointed by the board of trustees. The board regularly reviews the range of skills amongst trustees. The chair is appointed by the trustees.

New trustees are found from the contacts and networks of existing trustees. When recruiting new trustees the board looks for individuals with skills and experience which are of value to the Foundation and which are not represented by existing trustees. Potential trustees are invited to attend board meetings as observers and are provided with a pack of information including recent accounts and a copy of the trust deed. When new trustees join the board they are provided with further information regarding finances, governance and charitable objectives including minutes of trustees' meetings for the previous year.

Most trustees are highly experienced individuals and have a good understanding of what is involved in being the trustee of a charity. Where appropriate, the Foundation supports the training of trustees including, for example, attendance at seminars organised by the Association of Charitable Foundations of which the Foundation is a member.

The trustees meet at least four times a year to consider recommendations for, and make final decisions on, the awarding of grants. The day to day administration of grants and the processing of applications prior to consideration by the trustees is delegated to the Grants Director who is supported by the small team of staff.

The performance of all staff members is subject to annual review. Every February or March, each employee completes an appraisal form, on which they assess their achievements and performance over the past year in comparison to their job description and the goals agreed with their line manager (normally the Grants Director or, in the case of his own appraisal, the Chair of Trustees) in their previous appraisal. They then meet with their line manager to discuss the appraisal, set goals for the coming year and agree any required professional development. The outcomes of this process are reported to the trustees, who then decide on any pay increases to be made from that April.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED) ***FOR THE YEAR ENDED 5 APRIL 2017***

Trustees

No new Trustees were appointed during the year. Trustees are looking to increase their numbers in 2017/18.

Staff

No new staff were appointed during the year.

The trustees' report was approved by the Board of Trustees.

Barnaby Moores

Trustee

Dated: 27 November 2017

JOHN MOORES FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2017

The trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JOHN MOORES FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF JOHN MOORES FOUNDATION

We have audited the accounts of John Moores Foundation for the year ended 5 April 2017 set out on pages 9 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out on page 6, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 5 April 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

JOHN MOORES FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF JOHN MOORES FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material aspect with the financial statements; or
- sufficient accounting records have not been kept; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Other matter

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

BWM

27 November 2017

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9SH

BWM is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

JOHN MOORES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2017

	Notes	Unrestricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Investments	3	844,353	-	844,353	931,723
<u>Expenditure on:</u>					
Raising funds	4	31,074	65,055	96,129	110,120
Charitable activities	5	915,992	-	915,992	931,730
Other	11	173	-	173	-
Total		947,239	65,055	1,012,294	1,041,850
Net (losses)/gains on investments	12	-	1,864,913	1,864,913	(573,525)
Net (expenditure)/income		(102,886)	1,799,858	1,696,972	(683,652)
Transfers between funds		264,759	(264,759)	-	-
Net movement in funds		161,873	1,535,099	1,696,972	(683,652)
Fund balances at 6 April 2016		(42,828)	25,354,765	25,311,937	25,995,589
Fund balances at 5 April 2017		119,045	26,889,864	27,008,909	25,311,937

JOHN MOORES FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	13		853		1,239
Investments	14		26,507,664		25,223,951
			<u>26,508,517</u>		<u>25,225,190</u>
Current assets					
Debtors	16	60,343		88,132	
Cash at bank and in hand		742,730		361,970	
		<u>803,073</u>		<u>450,102</u>	
Creditors: amounts falling due within one year	17	(250,003)		(294,605)	
Net current assets			<u>553,070</u>		<u>155,497</u>
Total assets less current liabilities			<u>27,061,587</u>		<u>25,380,687</u>
Creditors: amounts falling due after more than one year	18		(52,678)		(68,750)
Net assets			<u><u>27,008,909</u></u>		<u><u>25,311,937</u></u>
The funds of the charity					
Endowment funds	20		26,889,864		25,354,765
Unrestricted funds	21		119,045		(42,828)
			<u>27,008,909</u>		<u>25,311,937</u>

The accounts were approved by the Trustees on 27 November 2017

Barnaby Moores
Trustee

JOHN MOORES FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	25	(1,044,794)		(1,089,855)	
Investing activities					
Purchase of investments		(16,781,166)		(3,794,250)	
Proceeds on disposal of investments		17,240,765		980,479	
Dividends from investments		844,353		931,723	
		<hr/>		<hr/>	
Net cash generated from/(used in) investing activities		1,303,952		(1,882,048)	
		<hr/>		<hr/>	
Net increase/(decrease) in cash and cash equivalents		259,158		(2,971,903)	
Cash and cash equivalents at beginning of year		1,420,292		4,392,195	
		<hr/>		<hr/>	
Cash and cash equivalents at end of year		1,679,450		1,420,292	
		<hr/> <hr/>		<hr/> <hr/>	

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2017

1 Accounting policies

Charity information

John Moores Foundation is governed by its Trust Deed dated 30 December 1964 and registered in England and Wales. The principal address is 1st Floor Front Office, 96 Bold Street, , Liverpool, L1 4HY.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

The Unrestricted Income Fund can be spent on any purpose within the Foundation's objects at the discretion of the trustees.

The Expendable Endowment Fund is primarily for income generation but is expendable at the trustees' discretion. The trustees have the discretion to transfer funds to the unrestricted Income Fund should the need arise.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of VAT which cannot be recovered. Grants and donations payable are accounted for when a legal or constructive obligation arises. A constructive obligation arises where the other party has a reasonable expectation of receipt, or when grants are minuted as approved and committed for payment, whichever is earlier.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

1 Accounting policies (Continued)

1.6 Tangible fixed assets

Tangible fixed assets are measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% per annum reducing balance
--------------------------------	--------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Only capital expenditure amounts in excess of £200 per item are capitalised as fixed assets.

1.7 Fixed asset investments

Quoted investments and other investments are stated at current market value at the balance sheet date. All gains and losses, both realised and unrealised, are included in the Statement of Financial Activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The Foundation has arranged a defined contribution pension scheme for eligible members of staff. The assets of the scheme are held separately from those of the Foundation, being invested with various pension companies. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Foundation in the year.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

1.14 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2017

3 Investments

	2017	2016
	£	£
Income from listed investments	842,485	929,811
Bank deposit and money on call interest	1,868	1,912
	<u>844,353</u>	<u>931,723</u>

4 Raising funds

	Unrestricted funds	Endowment funds	Total 2017	Total 2016
	£	£	£	£
<u>Investment management</u>	31,074	65,055	96,129	110,120
	<u>31,074</u>	<u>65,055</u>	<u>96,129</u>	<u>110,120</u>
For the year ended 5 April 2016				
Investment management	<u>110,120</u>	<u>-</u>		<u>110,120</u>

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

5 Charitable activities

	Grant expenditure	Grant related support costs	Total 2017	Total 2016
	£	£	£	£
Grant funding of activities (see note 6)	666,361	-	666,361	693,739
Share of support costs (see note 7)	-	213,731	213,731	217,821
Share of governance costs (see note 7)	-	35,900	35,900	20,170
	<u>666,361</u>	<u>249,631</u>	<u>915,992</u>	<u>931,730</u>
Analysis by fund				
Unrestricted funds	666,361	249,631	915,992	
	<u>666,361</u>	<u>249,631</u>	<u>915,992</u>	
For the year ended 5 April 2016				
Unrestricted funds	693,739	237,991		931,730
	<u>693,739</u>	<u>237,991</u>		<u>931,730</u>

6 Grants payable

	2017	2016
	£	£
Grants to institutions:		
Charitable donations paid - Appendix 1	707,434	732,658
Committed and payable donations at 6 April 2016	(290,165)	(329,084)
Committed and payable donations at 5 April 2017	251,402	290,165
Returned donations	(2,310)	-
	<u>666,361</u>	<u>693,739</u>

A complete list of grants paid during the year is at the end of this report.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

7 Support costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Staff costs	179,828	5,000	184,828	178,207	Allocated to grant making activities
Depreciation	213	-	213	310	Allocated to grant making activities
Office rental and costs	33,690	-	33,690	44,304	Allocated to grant making activities
Audit fees	-	3,600	3,600	3,600	Allocated to grant making activities
Accountancy	-	9,612	9,612	11,570	Allocated to grant making activities
Legal and professional	-	17,688	17,688	-	Allocated to grant making activities
	<u>213,731</u>	<u>35,900</u>	<u>249,631</u>	<u>237,991</u>	
Analysed between					
Charitable activities	<u>213,731</u>	<u>35,900</u>	<u>249,631</u>	<u>237,991</u>	

These comprise staff and office costs. The majority of these costs support the grant-making activity and are so allocated. A small proportion of support costs is allocated to governance costs.

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor and associates:	2017	2016
	£	£
Audit of the charity's annual accounts	3,600	3,600
	<u> </u>	<u> </u>
Non-audit services		
All other non-audit services	9,612	11,570
	<u> </u>	<u> </u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year (2016: Nil). One trustee was reimbursed £72 for travel expenses during the year (2016: £21).

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2017

10 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Grants Director	1	1
Administrator	1	1
Grant Monitors	3	3
	<u>5</u>	<u>5</u>

Employment costs

	2017 £	2016 £
Wages and salaries	157,567	151,566
Social security costs	13,043	13,015
Other pension costs	14,218	13,626
	<u>184,828</u>	<u>178,207</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Other

	2017 £	2016 £
Net loss on disposal of tangible fixed assets	173	-
	<u>173</u>	<u>-</u>

12 Net gains/(losses) on investments

	2017 £	2016 £
Revaluation of investments	835,111	(456,370)
Gain/(loss) on sale of investments	1,029,802	(117,155)
	<u>1,864,913</u>	<u>(573,525)</u>

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

13 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 6 April 2016	29,148
Disposals	(9,373)
At 5 April 2017	<u>19,775</u>
Depreciation and impairment	
At 6 April 2016	27,909
Depreciation charged in the year	213
Eliminated in respect of disposals	(9,200)
At 5 April 2017	<u>18,922</u>
Carrying amount	
At 5 April 2017	<u>853</u>
At 5 April 2016	<u><u>1,239</u></u>

14 Fixed asset investments

	Listed investments £	Unlisted investments £	Cash in portfolio £	Total £
Cost or valuation				
At 5 April 2017	23,754,471	411,159	1,058,321	25,223,951
Additions	16,774,709	6,457	-	16,781,166
Valuation changes	828,344	6,767	-	835,111
Cash movements	-	-	(121,601)	(121,601)
Disposals	(16,210,963)	-	-	(16,210,963)
At 5 April 2017	<u>25,146,561</u>	<u>424,383</u>	<u>936,720</u>	<u>26,507,664</u>
Carrying amount				
At 5 April 2017	<u>25,146,561</u>	<u>424,383</u>	<u>936,720</u>	<u>26,507,664</u>
At 5 April 2016	<u><u>23,754,471</u></u>	<u><u>411,159</u></u>	<u><u>1,058,321</u></u>	<u><u>25,223,951</u></u>

Quoted Investments and other investments are stated at current market value at the balance sheet date. All gains and losses, both realised and unrealised, are included in the Statement of Financial Activities.

The unlisted investment of £424,383 relates to the surrender value of a life insurance policy held with Friends Life.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

15 Financial instruments	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,738,166	1,506,825
Instruments measured at fair value through SOFA	25,570,944	24,165,630
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	302,670	363,344
	<u> </u>	<u> </u>
16 Debtors	2017	2016
	£	£
Amounts falling due within one year:		
Accrued income	58,716	86,533
Prepayments	1,627	1,599
	<u> </u>	<u> </u>
	60,343	88,132
	<u> </u>	<u> </u>
17 Creditors: amounts falling due within one year	2017	2016
	£	£
Other taxation and social security	11	11
Grants payable	198,724	221,415
Other creditors	-	35,571
Accruals and deferred income	51,268	37,608
	<u> </u>	<u> </u>
	250,003	294,605
	<u> </u>	<u> </u>
18 Creditors: amounts falling due after more than one year	2017	2016
	£	£
Grants payable	52,678	68,750
	<u> </u>	<u> </u>

19 Retirement benefit schemes

Eligible staff participate in earmarked defined contribution schemes for staff members, managed by various insurance companies. The Foundation contributes 9% of pensionable salary.

The charge to the statement of financial activities in respect of defined contribution schemes was £14,218 (2016: £13,626).

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

20 Endowment funds

	Balance at 6 April 2016		Movement in funds		Transfer between funds	Balance at 5 April 2017
	Expenditure	Realised (losses)/ gains	Unrealised (losses)/ gains on revaluation			
	£	£	£	£	£	£
Expendable endowments						
Expendable Endowment Fund	25,354,765	(65,055)	1,029,802	835,111	(264,759)	26,889,864
	<u>25,354,765</u>	<u>(65,055)</u>	<u>1,029,802</u>	<u>835,111</u>	<u>(264,759)</u>	<u>26,889,864</u>

The Expendable Fund comprises special receipts, in particular capital items donated to the Foundation over the years and subsequent movements. Realised and unrealised movements on investments held for the Expendable Endowment Fund are credited or charged to the Fund on an annual basis.

Income arising from the Expendable Endowment Fund Investments is credited directly to the Income Fund and is applied for the purposes of the Foundation as detailed in the Trustees' Report.

21 Unrestricted Income Fund

	Balance at 6 April 2016		Movement in funds		Balance at 5 April 2017
	Income	Expenditure	Transfer of funds		
	£	£	£	£	£
Unrestricted Income Fund	(42,828)	844,353	(947,239)	264,759	119,045
	<u>(42,828)</u>	<u>844,353</u>	<u>(947,239)</u>	<u>264,759</u>	<u>119,045</u>

Unrestricted Funds represent the Foundation's Income Fund

Income from Expendable Endowment and Income Fund Investments is credited to the Income Fund and expenditure, primarily related to grants, is charged against this income.

Realised and unrealised movements on investments held for the Income Fund are credited to the Fund on an annual basis.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

22 Analysis of net assets between funds

	Unrestricted Fund	Expendable Endowment Fund	Total
	£	£	£
Fund balances at 5 April 2017 are represented by:			
Tangible assets	853	-	853
Investments	-	26,507,664	26,507,664
Current assets/(liabilities)	170,870	382,200	553,070
Long term liabilities	(52,678)	-	(52,678)
	<u>119,045</u>	<u>26,889,864</u>	<u>27,008,909</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	<u>7,820</u>	<u>9,118</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017 £	2016 £
Aggregate remuneration	<u>62,335</u>	<u>59,896</u>

No guarantees have been given or received.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2017

25 Cash generated from operations	2017	2016
	£	£
Surplus/(deficit) for the year	1,696,972	(683,652)
Adjustments for:		
Investment income recognised in statement of financial activities	(844,353)	(931,723)
Loss on disposal of tangible fixed assets	173	-
(Gain)/loss on disposal of investments	(1,029,802)	117,155
Fair value gains and losses on investments	(835,111)	456,370
Depreciation and impairment of tangible fixed assets	213	310
Movements in working capital:		
Decrease/(increase) in debtors	27,789	(6,842)
(Decrease) in creditors	(60,675)	(41,473)
Cash absorbed by operations	<u>(1,044,794)</u>	<u>(1,089,855)</u>
26 Analysis of cash and cash equivalents		
	2017	2016
	£	£
Cash at bank and in hand	742,730	361,971
Cash held within investment portfolio	936,720	1,058,321
Total cash and cash equivalents	<u>1,679,450</u>	<u>1,420,292</u>
