
THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Trustees' Report and Financial Statements
for the year ended 31 March 2019

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

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Reference and Administrative Details of the Company, its Trustees and Advisers
for the year ended 31 March 2019

Trustees

Charles Asprey, (3)
Martin Barden
Sir Nigel Carrington, (1) (2) (5)
Henry Channon
Celia Olwen Clear, (1) (5)
William Thomas Edgerley, (1) (2)
Antony Griffiths, (4) (5)
Pamela Raynor, (1) (2)
Dr Anne Wagner, (3) (4)
Peter Wienand MVO, (4) (5)

Committee Membership:

(1) Finance & General Purposes Committee, incorporating Remunerations Committee
(2) Investments Committee (3) Grants Committee (4) Collections Committee (5) Nominations Committee

Company registered number

01255762

Charity registered number

271370

Registered office

Dane Tree House, Perry Green, Much Hadham, Hertfordshire, SG10 6EE

Company secretary

Ian Parker

Website

www.henry-moore.org

Executive

Director, Godfrey Worsdale OBE
Chief Operating Officer, Lesley Wake
Head of Henry Moore Collections & Exhibitions, Sebastiano Barassi
Head of Henry Moore Institute Programmes, Laurence Sillars
Head of Marketing & Communications, Rebecca Land
Head of Enterprise, Clare Tomlinson

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

Bankers

Lloyds Bank PLC, 23 North Street, Bishop's Stortford, Hertfordshire, CM23 2LN

Royal London Cash Management, 55 Gracechurch Street, London, EC3V 0UF

Royal Bank of Canada (Channel Islands) Limited, PO Box 194, 19-21 Broad Street, St Helier, Jersey, JE1 8PB

Investment Adviser

Stanhope Consulting, a division of Stanhope Capital LLP, 35 Portman Square, London, W1H 6LR

Solicitors

CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London, EC1A 4DD
Hewitsons LLP, Shakespeare House, 42 Newmarket Road, Cambridge, CB5 8EP

THE HENRY MOORE FOUNDATION

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Trustees' Report for the year ended 31 March 2019

The Trustees of the charity (who are also directors of the Foundation for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Henry Moore Foundation (Foundation and group) for the year ended 31 March 2019. The Trustees confirm that the Annual Report and Financial Statements of the Foundation and group comply with the current statutory requirements, the requirements of the Foundation's governing document, the provisions of the Statement of Recommended Practice (SORP), applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

AIMS, OBJECTIVES AND ACTIVITIES

Henry Moore established his Foundation to encourage public appreciation of the visual arts, particularly sculpture, and to preserve the artist's legacy.

The Foundation seeks to deliver this through the following core ambitions:

- Deepen and broaden the understanding and appreciation of the work of Henry Moore for both new and established audiences, nationally and internationally, through a programme of exhibitions and loans from the Foundation's collections;
- Lead the world in Moore scholarship and act as guardians of his home and collections;
- Maintain pre-eminence in the field of sculpture studies through the creation of a meaningful and balanced programme of exhibitions, displays, publications, events and research opportunities;
- Nurture and develop partnerships to increase the reach and resources of the Foundation;
- Support the advancement of sculpture by giving financial support to exhibitions; publications; research and acquisitions;
- Raise awareness of the Foundation and build relationships with a range of audiences, nationally and internationally, to grow actual and virtual visitor numbers.

The aims are achieved through activities initiated, undertaken and supported by the Foundation, at Henry Moore's former home, studios and gardens at Perry Green, Hertfordshire; the Henry Moore Institute in Leeds; across the UK, and internationally through its touring, loans and grants programmes; and through the innovative Yorkshire Sculpture International partnership project. These projects and activities include collections and archives management, temporary exhibitions and displays; research and publications; education and workshops, and the awarding of grant-aid to other suitable enterprises.

The Foundation is registered as a charity (registration number 271370) and is not liable to UK taxation as it has no taxable activities. In the exercise of their powers, the Trustees have paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

For a full account of the Foundation's activities, readers are referred to the Foundation website (www.henry-moore.org). The following notes record the chief elements in the Foundation's programme during the year with particular reference to the accompanying financial statements.

GROUP STRATEGIC REPORT

Strategic Overview of the Year

The Foundation's five year plan sets out the programme of activities which aim to deliver the organisation's charitable, artistic, financial and legal objectives. The plan provides the guiding principles and key objectives for the Foundation's future activities and development. Central to the plan is the Foundation's continued aim to work to establish a more balanced financial model, which places less reliance on its quasi-endowment with the aim of making the organisation more resilient and, therefore, more sustainable in the longer-term.

The Foundation pursued its ambitious programme of international touring exhibitions of works from the Henry Moore collection, most notably for Le Fonds Hélène & Édouard Leclerc (Leclerc Foundation). This was complemented by loans of works for national and international monographic and group exhibitions. The vast and unique collection of archival material relating to Henry Moore's life is available to enhance scholarship concerning the artist's life and work. Continued research into the work and life of Henry Moore remains a strategic priority for the Foundation.

The Institute continued to encourage and facilitate research into the history and practice of sculpture through exhibitions, conferences, lectures and publications, most notably the first solo institutional exhibition of the work of Senga Nengudi outside the United States.

The importance of partnership working continued, particularly in Yorkshire, where the Foundation and other organisations concerned with sculpture continued to develop the collaborative pilot project, the Yorkshire Sculpture International, supported by Arts Council England and other key strategic funding partners.

The grants programme maintained its support for developments in sculpture and visual arts institutions and organisations whose projects are aligned with the Foundation's charitable objectives.

In shaping the objectives and planning the Foundation's activities, Trustees have considered the Charity Commission's guidance on public benefit. The Foundation relies on income from its quasi endowment, fees and charges as well as grants and donations to cover its running costs. Access to the programme is important and activities offered by the Foundation are available to members of the public and students.

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Trustees' Report (continued)
for the year ended 31 March 2019

Entry to the Henry Moore Studios & Gardens at Perry Green, incorporating Hoglands, Moore's former home, his studios and sculpture gardens, is by paid admission, with a range of concessionary tickets; pre-booked educational visits for school groups and access to the Henry Moore archive are free of charge. Entry to the Henry Moore Institute in Leeds city centre, including the library and pre-booked visits to the archive of sculptors' papers, is also free of charge.

Prior to the commencement of each financial year the annual budget is drawn up and approved by Trustees; performance is monitored through monthly management accounts. Delivery of the programme of activities and monitoring of the budget is delegated to the appropriate heads of teams, who report quarterly through the Executive to the Trustee Board.

Key financial performance indicators

Trustees have set targets for the performance of the investment portfolio and engage Stanhope Consulting to advise on the delivery of the investment strategy. Performance of the strategy is monitored quarterly by Trustees and the signed agreement with Stanhope Consulting sets out procedures to address actions where these may be required between committee meetings.

REVIEW OF ACTIVITIES

Aim: To deepen and broaden the understanding and appreciation of the work of Henry Moore for both new and established audiences, nationally and internationally, through a programme of exhibitions and loans from the Foundation's collections

The Henry Moore Collections & Exhibitions department is responsible for the creation of a programme of exhibitions and displays at Perry Green, and in the UK and worldwide; and for published educational material about Henry Moore that inspires and informs a wide range of audiences, nationally and internationally.

An exhibition, *Henry Moore Carvings* was presented in the Sheep Field Barn Gallery at Henry Moore Studios & Gardens from April to October 2018. This was complimented by an extensive display of sculptures in the grounds where Moore's studios and former home, Hoglands, are also located.

The following exhibition projects were delivered in the UK and Europe: *Henry Moore*, with Fonds Hélène & Édouard Leclerc, Landerneau, Brittany, France (June – November 2018) and *Henry Moore: Helmet Heads*, with the Wallace Collection, London (March – June 2019). A major tour took place in Poland: *Henry Moore in Poland*, Oronska, Centrum Rzeźby Polskiej (April – September 2018); Wrocław, Muzeum Narodowe Wrocławiu, (September 2018 – January 2019); and Krakow, Muzeum Narodowe w Krakowie, (February – June 2019).

Numerous loans from the Foundation's collection were displayed in other exhibitions, notably for: *Degas: A Passion for Perfection*, Fitzwilliam Museum, Cambridge; *Sumer and the Modernist Paradigm*, Fundació Joan Miró, Barcelona; *From the Land: Henry Moore, Ewen Henderson & Other Artists*, The Collection, Lincoln; *The Lie of the Land*, MK Gallery, Milton Keynes; *Consequence of War*, Lichfield Cathedral; *Lee Miller and Surrealism in Britain*, The Hepworth Wakefield and Fundació Joan Miró, Barcelona; *Journeys with 'The Waste Land'*, Herbert Art Gallery and Museum, Coventry; *Which Way North*, Great North Museum, Hancock. Loaned works included sculptures, drawings, found objects and archival materials.

Aim: To lead the world in Moore scholarship and act as guardians of his home and collections

Development of the Henry Moore Archive and care of the collections and Moore's home are core to the Foundation's work.

Henry Moore continues to be studied as part of the National Curriculum and 2,500 (2018: 1,925) school children visited Henry Moore Studios & Gardens free of charge. Additionally, 'drop-in' family workshops were offered during the visitor season. For adult audiences, a series of talks and curator gallery tours were programmed during the 2018 season and a symposium attracted modern art scholars.

Throughout the year, the Archive team continued to add items to the bibliography database, digitise correspondence and images and handle a wide range of research and licensing enquiries. A new Archive outreach programme was initiated in March 2019 to enhance academic research opportunities.

Works by Henry Moore have continued to be added to eMuseum, the online public access version of The Museum System available through the Foundation's website. Over 10,500 objects published online artworks were available online by March 2019, and records for Henry Moore's Catalogue Raisonné have now been published up to 1959.

Conservation of Moore's lithographic plates was completed in March 2019 and Moore's Etching Studio was refurbished and re-presented for the 2019 visitor season. The Foundation purchased the Hubert Dalwood bronze sculpture, *Tree* 1957, formerly owned by Henry Moore, to display in Hoglands.

The Review Panel (formerly the Authentication Panel) met in April and September 2018. At these two meetings 26 works were assessed and six previously unrecorded works were accepted for inclusion in the Catalogue Raisonné. During the year, 115 research enquiries were processed plus approximately 150 email enquiries answered.

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Trustees' Report (continued)
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Aim: Maintain preeminence in the field of sculpture studies through the creation of a meaningful and balanced programme of exhibitions, displays, publications, events and research opportunities

The Foundation fulfilled its remit as a centre for the study of sculpture at the Henry Moore Institute. A scholarly programme of exhibitions, events and publications was delivered, alongside hosting Visiting Research Fellows and working with higher and further education institutions; the Research Library was maintained and the collection developed and research was facilitated on the Leeds Museums and Galleries sculpture collections – which encompass sculpture, works on paper and the Archive of Sculptors' Papers based at the Henry Moore Institute – through displays, events and Fellows' research. Partnerships were developed and new audiences fostered.

In the year, three major exhibitions were presented in the three main galleries, plus eight smaller, focused displays in Gallery 4, Leeds Art Gallery's Sculpture Study Galleries and in the Institute's Library. These presentations reflected a diversity of approaches, historical periods and origins with a balance of monographic and thematic content. Of particular note were *The Sculpture Collections*, which included over 200 works from the Leeds collections shown over fourteen galleries across the Institute and Leeds Art Gallery, *Senga Nengudi and Renee So: Bellamines and Bootlegs*.

Working with the Leeds Museums and Galleries sculpture collections, the Institute team continued to facilitate the acquisition of sculptures, works on paper and individual archive collections, through donation and purchase, the most notable of which were two sculptures by Phyllida Barlow, as well as works by Tony Carter, George Fullard, Ronald Moody and Alison Wilding. The Institute team also supported the loan of individual works and archival material to museums in the UK and Europe. Researchers at all levels were actively encouraged to work with the collections.

The busy research programme, including conferences, symposia, lectures, gallery discussions, film screenings and book launches continued throughout the year, in addition to publishing academic papers. The annual Academic Open Day introduced the Institute's resources and activities to the academic community. The Institute welcomed a number of Visiting Research Fellows and interns, and academic liaison was actively maintained with the hosting of Post-doctoral Fellows, based at British universities and at the Institute. Opportunities were sought for closer collaboration with Leeds universities and discussions were initiated with Bloomberg New Contemporaries and Leeds Beckett University to establish a new fellowship award in collaboration with the Foundation. The Institute continued its participation in the Leeds Visual Art Network, Culture Consortium Leeds, Art UK's *The Sculpture Project* and *National Life Stories: Artists' Lives*, and with Yorkshire Sculpture International partners.

The Foundation is grateful for the financial support of Leeds City Council and access to the Leeds sculpture and archive collections.

Aim: To nurture and develop partnerships to increase the reach and resources of the Foundation

The Foundation currently delivers this aim through its leading role in the partnership, the Yorkshire Sculpture International.

The Yorkshire Sculpture Triangle, consisting of the Henry Moore Foundation, The Hepworth Wakefield, Yorkshire Sculpture Park and Leeds Museums & Galleries, secured £750,000 funding from Arts Council England's 'Ambition for Excellence' programme in 2017 for a ground-breaking international sculpture partnership project: Yorkshire Sculpture International. This ambitious collaborative programme, the UK's largest event to celebrate sculpture, takes place from 21 June to 29 September 2019.

The project is supported with financial and in kind resources from all four partners, and is overseen by a steering group consisting of senior representatives from each partner. The Foundation is the lead partner with responsibility for overseeing the management of the project and is the accountable body for funds received from Arts Council England and other funding bodies. In 2018-19 the Foundation received grant income totalling £566,004 on behalf of the Yorkshire Sculpture International partnership from Arts Council England, Leeds City Council, Wakefield Council, Paul Hamlyn Foundation, Freeland's Foundation, Leeds University, Leeds Beckett University, Leeds City College, Wakefield College, Reed Smith Global Solutions, Ernest Cook Trust and ArtUK. The partnership is grateful to these funders for their support. This income is held in a restricted fund in the Foundation's financial statements and will be fully spent in 2019-20. These funds are not used to support the Foundation's own activities or overheads.

The Yorkshire Sculpture International is a fixed term project that commenced in October 2017 and will conclude by October 2019. The Foundation employs the project delivery team on fixed term contracts on behalf of the partnership.

It is anticipated that this will be the first in a series of sculpture triennials in Yorkshire.

Aim: To support the advancement of sculpture by giving financial support to exhibitions; publications; research and acquisitions

The Grants programme supports the advancement of sculpture by giving financial support to exhibitions; publications; research and acquisitions. The programme has continued to support visual arts institutions and organisations whose projects are aligned with the Foundation's charitable objectives. The Grants Committee has continued to monitor the needs of the sector and has offered support where it can have most benefit.

The Foundation maintained its policy throughout the year of awarding grants to a wide range of projects and organisations with a strong sculptural component. This included exhibitions, exhibition catalogues, collections, commissions, publications, post-doctoral research fellowships, conservation, research and development and conferences. As the largest grant-making artist-endowed foundation in Europe, the Foundation's grants play an increasingly significant role in today's challenging climate of funding for the visual arts. In the year, Trustees approved a total of 88 grants to the value of £527,822 (2018: £556,695).

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With the exception of post-doctoral research fellowships and research and travel grants, the Foundation does not normally give grants to individuals; nor does it provide revenue expenditure. Through the provision of financial support to these exhibitions, publications, research and acquisitions, the Foundation continued to deliver its objective to support the advancement of sculpture. All grants decisions are made by the Grants Committee and one officer administers the grants programme.

The Foundation made an exceptional award of £10,000 to St Andrews Church, Much Hadham, for the restoration of the church bells. This award acknowledges Henry Moore's association with the church and is in recognition of the support of the local community in recent years.

Aim: To raise awareness of the Foundation and build relationships with a range of audiences, nationally and internationally, to grow actual and virtual visitor numbers

The Marketing & Communications team is responsible for promoting the Foundation's programmed activities across both venues and for communications across all media channels, including the website and social media, with the aim of reaching the widest possible actual and virtual audiences.

Henry Moore Studios & Gardens, including the *Henry Moore Carvings* exhibition, attracted 16,797 (2018: 21,492) visitors (paid admissions) during the seven month open season. Visitors continued to rate customer satisfaction as very high. Admission is free of charge to the Henry Moore Institute, which saw an increase in annual visitor numbers to 95,223 (2018: 75,000). The Friends scheme attracted 272 new members at Henry Moore Studios & Gardens. The Foundation's website saw an increase in users: 287,586 (2018: 278,060) unique session visits by 204,155 web users in the year, of which 84% were new users and 16% returning users. Social media followers grew in the year to 39,999 (2018: 34,064) across Facebook, Twitter and Instagram platforms.

Total media circulation, reach and impressions for the year was estimated at 22 million. Notable projects included an episode of BBC television's *Fake or Fortune*, which broadcast to some 5 million viewers, and the campaign around *#HenryMooreDrawings*, which saw some thirty international arts institutions celebrating the presence of Moore's drawings in their collections on social media.

Supporters: Henry Moore Collectors' Circle

The Foundation launched the Henry Moore Collectors' Circle in March 2019. This is a gathering of like-minded collectors who are passionate about the work and legacy of Henry Moore. It is anticipated that this group and the individuals within it will become supporters of the Foundation and its work.

Supporters: Volunteers

The Foundation is grateful for the unstinting efforts of its volunteers who are involved in administrative and archival duties (10), as gardeners (17) and in guiding schools and groups around Henry Moore's studios and grounds at Perry Green (23). It is estimated that approximately 10,000 volunteer hours were provided during the year. If this time is conservatively valued at £12 per hour, the volunteer effort amounts to £120,000 in the period. The Foundation also hosted three interns during the year. Volunteers and interns receive an induction and training; they are also required to enter into a formal signed agreement with the Foundation.

Due Diligence: Immunity from Seizure

The Henry Moore Foundation, which includes the Henry Moore Institute, received Approved Status from the Department of Culture Media and Sport under Part 6, Section 136 of the Tribunals, Courts and Enforcement Act 2007 (Protection of Cultural Objects on Loan) on 4 September 2008. The Foundation's exhibition programme, both at Perry Green and venues worldwide, draws on the collections gifted to it by Henry Moore, which have been augmented subsequently by gifts and acquisitions. In order to fulfil its exhibition programme the Foundation borrows work on a regular basis from institutions and private lenders in the UK and abroad. All lenders are requested to complete a Loan Form in order to satisfy due diligence procedures in accordance with the Foundation's ethical loans policy. Information on the provenance of the work is requested and the lenders are required to declare that they acquired the works by legitimate means, have legal ownership and are unaware of any third party claims. The Foundation also holds information on its database on all works by Henry Moore and provenance information is frequently updated on this system. The Catalogue Raisonné also provides a useful resource for curators to confirm the legitimacy of works. Once the Loan Form is completed by the lender it is kept on file in case of a future audit. All paper trails in the form of letters and emails are kept on file relating to provenance and ownership requests. The Curator is responsible for researching the provenance of the works at the beginning of the loans process and the Registrar is responsible for ensuring the Loan Form is satisfactorily completed by the lender.

Training is provided on Immunity from Seizure to relevant members of staff as required. The Foundation's due diligence policy and procedures continues to be implemented and the ethical loans policy adhered to through its exhibition programme, both when incoming loans are requested for exhibition and through its acquisition policy.

Immunity from Seizure was not requested for any loans to the Foundation in the period 1 April 2018 to 31 March 2019.

Capital Expenditure

Small scale capital works were undertaken at the Henry Moore Institute to improve disabled access (lift and toilets).

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FUTURE ACTIVITY

The executive reviewed and updated the five year plan up to 2022-23, which was approved by the Board in December 2018. In addition to the core tenet of resilience, the new iteration of the five year plan develops four important principles: understanding, developing and engaging audiences; increasing impact through partnering; ensuring that the Foundation's work and relevance is widely recognised; and ensuring that ambitions are sustainably resourced.

A marketing review was undertaken at the end of the year which will underpin the audience development strategy for the coming years. A new position of Engagement Curator was established at the Henry Moore Institute and the feasibility of a similar post is to be undertaken at Henry Moore Studios & Gardens in the coming year. These activities will target audience growth as well as an increased educational offer on the ground as well as in the digital realm.

The importance of partnership working will continue, particularly in Yorkshire, with the pilot of the Yorkshire Sculpture International project launch in summer 2019. The Foundation aims to further broaden its learning remit by working with university partners in both Leeds, Hertfordshire and Cambridge, to sustain the future of the study of sculpture. The partnership with Leeds City Council, centred on Leeds Art Gallery and its collections will continue to be a priority and will be reviewed in due course.

The Foundation will develop the efficacy of its public relations, not only to help drive footfall at both venues, but also to promote opportunities for an ambitious programme of national and international tours of works from the Henry Moore collections, and the exhibitions and research activity at the Institute. The importance of the collections will be further disseminated through on-line access, which will continue to develop and grow.

Touring of the Henry Moore Collections will continue to be a major source of earned income for the Foundation, though this will be balanced with the realisation of a strong and high profile range of exhibitions. Increased visitor figures and trading operations at Henry Moore Studios & Gardens will be the subject of continued effort and monitoring. Collectors Circle members, corporate clients and luxury brand companies will be targeted for support.

FINANCIAL REVIEW

Principal funding

The Foundation's principal funding comprises its investment income (see below) and to a lesser extent grants, exhibition, admissions and trading income.

Investments

The aims of the Foundation are long term and historically its income is mainly derived from investments provided from the assets left by its founder. The Foundation therefore invests the funds so as to protect its real value against inflation and to furnish an annual income at least sufficient to fulfill the charitable objectives. To this end the Foundation maintains a diverse portfolio investing with a number of fund managers with different investment styles and asset spread in order to ensure the maximum return with the minimum of risk and/or volatility across the portfolio as a whole. The portfolio of investments is managed akin to an endowment, called a quasi-endowment, where the annual yield is set aside to provide revenue for the Foundation, topped up by the sale of assets as required. The sum allocated for operating resources, which has been set for the term of the five year plan, continues to be monitored annually. Sufficient investment assets need to be maintained in order to provide income for the annual operating costs of the Foundation. The Foundation aims to maintain a cash pool, or general reserve, equivalent to running costs of approximately twelve months.

The charitable objects of the Foundation do not require the automatic avoidance of investment in any particular geography, sector or corporation. The Trustees take investment advice from Stanhope Consulting, a division of Stanhope Capital LLP and maintain a diversified portfolio so as not to expose the Foundation to undue financial risk. The Trustees expect that the fund managers with which the Foundation's assets are invested to behave with integrity, to be fully compliant with all regulatory requirements and to meet relevant codes of practice. In addition, investment managers are expected to take account, in their decision-making, of environmental, social and governance issues. The Royal Bank of Canada (Channel Islands) is custodian to the Foundation.

The Foundation's investment objective is to achieve RPI + 4% per annum over the long term. The strategic asset allocation percentage targets are: equities 65%; bonds 15%; and alternatives 20%. The portfolio will only invest in funds and not in individual securities. No more than 15% of the portfolio may be held in any one fund without the prior approval of the Investment Committee.

As at 31 March 2019, the total capital market value of the Foundation's investment portfolio is £95,828,664 (2018: £94,326,789) representing a modest increase in value of 1.6%. The total return generated for the year is £4,441,395 (2018: £2,030,689). Investment income rose by 5.6% to £2,929,999 (2018: £2,774,617). Investment managers' fees, specifically custodian and adviser's fees, are £98,504 (2018: £98,520). The Foundation is predominantly invested in pooled funds where fund managers' fees are netted off against the fund value.

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Trustees' Report (continued)
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Financial Analysis

At the year end the Foundation holds Total Funds of £119,734,885 (2018: £118,894,509), of which:

- £95,828,664 (2018: £94,326,789) is held in investments and managed as a quasi-endowment;
- £17,660,795 (2018: £18,157,357) is held in heritage and other tangible assets; and
- £6,245,426 (2018: £6,410,363) is in net current assets.

The Total Funds include Restricted funds of £581,328 (2018: £393,888), this being the net balance of the Yorkshire Sculpture International project. There are no other Restricted funds at the year end, the final balance of a European Rural Development Programme grant, awarded in 2013, having been written down against the depreciation charge within the year.

The year saw incoming resources increase by 8.5% to £4,756,279 (2018: £4,382,749), of which £566,004 (2018: £460,000) is restricted income relating to Yorkshire Sculpture International. The increase in investment income to £3,040,395 (2018: £2,866,505) and the receipt of Museum and Gallery Tax Relief of £117,469 for the first time is noted. Charitable income earned from activities rose by 5.3% due to the exhibition partnership with Le Fonds Hélène & Édouard Leclerc (Leclerc Foundation). This masked the reduction in both admissions income at Henry Moore Studios & Gardens and in grant aid to support the programme at the Institute. Trading income fell by 21% explained by retail income at Henry Moore Studios & Gardens reflecting the lower visitor numbers.

Expenditure increased by 4.4% to £5,525,803 (2018: £5,293,421), primarily due to the Yorkshire Sculpture International project costs.

The Foundation is grateful to receive a sum of £156,826 from Leeds City Council as a contribution towards the upkeep of their sculpture collections and archive of artists' papers and the Henry Moore Institute. The Foundation also received grant income totalling £566,004 on behalf of the Yorkshire Sculpture International partnership from Arts Council England and other funding bodies as previously credited.

Designated Funds and Reserves Policy

The Trustees have reviewed the Foundation's reserves policy and have resolved to retain as designated funds amounts representing those assets set aside for specific purposes, with the balance as an unrestricted general reserve. The designated funds totalling £114,495,848 (2018: £113,014,243) comprise the following:

- an investment fund represented by the Foundation's investment portfolio which is treated as an endowment fund for operational purposes and which is relied upon to produce a return sufficient to meet at least the projected annual expenditure of the Foundation. The balance in this fund is £95,828,664 (2018: £94,326,789);
- a capital reserve fund representing the net book value of fixed assets held by the Foundation amounting to £16,117,878 (2018: £16,626,940);
- a heritage asset fund of £1,542,917 (2018: £1,530,417) to protect purchased artworks;
- other designated funds totalling £1,006,389 (2018: £530,097) set aside by the Trustees for specific projects, including Longfield Barn Air Source Heat Pumps (£300,000), the Henry Moore Purchase Reserve Fund (£157,170), a sinking fund (£117,469) and other specified activities scheduled for delivery in the next 12 - 18 months.

After setting aside the HMF Enterprises' operating reserve of £173,349 (2018: £173,349), this leaves a balance of £4,484,360 (2018: £5,313,029) as the Foundation's general reserve.

The Trustees aim to maintain general funds at a level and with such liquidity as to enable a minimum of twelve months of unrestricted charitable expenditure to be undertaken at any time. The current net requirement for the annual operating costs is £3.7 million; the general reserve of £4,484,360 provides liquidity at a higher level, which is considered appropriate given the uncertainty of the investment markets in the coming period with the proposed departure of the United Kingdom from the European Union.

Information on Fundraising Practices

The Foundation does not currently rely on fundraising as a major source of income for its own activities, nor does it employ or engage professional fundraisers. As a result the Foundation is not registered with the Fundraising Regulator however should fundraising activities increase in the future, the Foundation will review this and is committed to avoiding any intrusive fundraising approaches and will never apply undue pressure to donate.

Risk management

The Trustees review the major financial and nonfinancial risks to the Foundation to ensure that steps have been taken both to minimise the risk and to provide the Foundation, its staff and visitors with appropriate insurance or physical protection against any unavoidable risks. The risk analysis is undertaken at least annually and key actions resulting from the analysis are included in the five year plan.

Trustees last reviewed the full Risk Register in May 2019 and delegated key elements to the Strategic Management Team to monitor on a monthly basis.

One of the principal risks is to inflation-proof and maintain the value of the quasi-endowment and to derive a consistent income stream to finance the annual operating costs of the Foundation. This is particularly challenging when political and economic uncertainty in the UK and

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the wider world may cause volatility in the markets. Trustees have sought to minimise this risk by spreading the Foundation's investments over a broad strategic asset base, across a number of funds and across a global range. Trustees also engage an investment adviser to monitor these funds on a regular basis.

The display of artworks in the open air, as Moore desired, presents security risks for the Foundation. Such risks are mitigated by the installation of a three layered security system, plus a team of security personnel to patrol the grounds and monitor equipment.

A further risk is the potential failure of the environmental controls in the art stores and galleries. This risk has been managed by the installation of significantly upgraded heating, ventilation and air conditioning plant at both sites and ensuring that maintenance contracts are in place for this equipment and the associated building management systems. In addition, free-standing monitoring devices (TinyTaq) provide backup data that is assessed regularly by operations and registrarial personnel.

Going Concern

The Foundation has substantial resources to continue in operational existence for the foreseeable future. For this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association. It is a registered charity number 271370.

Organisation

The Board of Trustees is appointed by majority agreement of the existing Trustees and meets quarterly to review the Foundation's activities and strategy. Four sub-committees oversee specific areas of the Foundation's work: Finance & General Purposes Committee, Investment Committee, Grants Committee and Collections Committee; and a fifth sub-committee, Nominations Committee, meets as required. All committees operate within agreed Terms of Reference. Trustees are appointed to the sub-committees as shown in the Trustees' listing. All sub-committees generally meet quarterly or as required throughout the year and all report to the Board. Day to day management of the Foundation is undertaken by an executive team of paid officers.

Sir Nigel Carrington, Vice Chancellor of University of the Arts London, is chairman of the Board of Trustees. He was appointed to the position for a term of five years at the AGM in November 2014. The Board of Trustees reserve the option to extend the Chairman's term of office by unanimous agreement.

The Board of Trustees keeps under review the skills required of the Board. When necessary the Board seeks new Trustees by public advertisement and exploiting the broad range of contacts of the Trustees and the Executive to ensure the maintenance of the necessary mix of skills. The Trustees' Skills Audit was last reviewed in June 2019.

The induction of new Trustees is designed to provide a full understanding of all aspects of the work of the Foundation. It includes meetings with the Director, Chief Operating Officer and Board Members, covering the programme and exhibitions policy and plans, grant making process, major projects and capital developments, powers and responsibilities of the Trustee Board and the sub-committees. The welcome pack includes a copy of the Memorandum and Articles of Association, previous annual reports and accounts, the Annual Review and copies of relevant Charity Commission guidance as well as other relevant material.

The Henry Moore Foundation has a wholly owned trading subsidiary company, HMF Enterprises Limited (Company Number 1262112), and the majority if not all of the profit from its undertakings are paid under Gift Aid to the charity annually. Details of HMF Enterprises Limited and its activities are summarised in note 3 of these financial statements. Martin Barden, Celia Clear and William Edgerley, Trustees of the Henry Moore Foundation, also serve as Directors of the HMF Enterprises Board along with three other Directors.

Pay policy for senior staff

The pay and remuneration of the Foundation's key management personnel is considered by the Finance & General Purposes Committee and approved by the Board of Trustees. These arrangements are informed by achievements of the individuals in post and benchmarking against similar posts in comparable out-of-London organisations in the wider cultural, academic and charity spheres. The Foundation undertakes a salary benchmarking exercise approximately every three to four years.

Data Protection

The Foundation takes the protection of personal data very seriously and is mindful of the new General Data Protection Regulations (GDPR) which came into force in May 2018. The Foundation carried out an audit of the data being processed across its operation and has drawn up and implemented policies, processes and systems that will enable it to comply with the terms of the GDPR. The Chief Operating Officer is responsible for all employee and internal personnel data and the Head of Marketing & Communications is responsible for all customer and third party external data. There have been no known losses of personal data held by the Foundation during the year.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Trustees' Report (continued)
for the year ended 31 March 2019

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Henry Moore Foundation for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

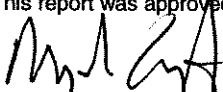
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.


Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report was approved by the Trustees, on 19 September 2019 and signed on their behalf by:


Sir Nigel Carrington
Trustee


William Thomas Edgerley
Trustee

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Independent Auditors' Report to the Members of The Henry Moore Foundation

Opinion

We have audited the financial statements of The Henry Moore Foundation (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the group Consolidated statement of financial activities incorporating income and expenditure account, the group Consolidated balance sheet, the group Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Group Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Independent Auditors' Report to the Members of The Henry Moore Foundation

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Judith Coplowe (Senior statutory auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA
23 September 2019

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

**Consolidated Statement of Financial Activities incorporating Income and Expenditure Account
for the year ended 31 March 2019**

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
INCOME FROM:					
Donations, grants and legacies	2	566,004	-	566,004	460,000
Trading activities	3	-	235,548	235,548	299,802
Investments	4	-	3,040,395	3,040,395	2,866,505
Charitable activities	5	-	796,863	796,863	756,442
Other income - Museum and Gallery Exhibition Tax Relief		-	117,469	117,469	-
TOTAL INCOME		566,004	4,190,275	4,756,279	4,382,749
EXPENDITURE ON:					
Raising funds	6	-	295,848	295,848	301,436
Charitable activities	7	378,564	4,851,391	5,229,955	4,991,985
TOTAL EXPENDITURE		378,564	5,147,239	5,525,803	5,293,421
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)					
Net gains/(losses) on investments	6	187,440	(956,964)	(769,524)	(910,672)
		-	1,609,900	1,609,900	(645,408)
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		187,440	652,936	840,376	(1,556,080)
NET MOVEMENT IN FUNDS		187,440	652,936	840,376	(1,556,080)
RECONCILIATION OF FUNDS:					
Total funds brought forward		393,888	118,500,621	118,894,509	120,450,589
TOTAL FUNDS CARRIED FORWARD		581,328	119,153,557	119,734,885	118,894,509


The notes on pages 16 to 30 form part of these financial statements.


THE HENRY MOORE FOUNDATION
(A company limited by guarantee)
Registered number: 01255762

Consolidated Balance Sheet
as at 31 March 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	13		16,117,878		16,626,940
Heritage assets	15		1,542,917		1,530,417
Investments			95,828,664		94,326,789
			113,489,459		112,484,146
CURRENT ASSETS					
Stocks	16	61,653		37,364	
Debtors	17	462,287		599,891	
Cash at bank and in hand		6,535,516		6,802,756	
			7,059,456	7,440,011	
CREDITORS: amounts falling due within one year	18	(814,030)		(1,029,648)	
NET CURRENT ASSETS			6,245,426		6,410,363
NET ASSETS			119,734,885		118,894,509
CHARITY FUNDS					
Restricted funds	22		581,328		393,888
Unrestricted funds	22		119,153,557		118,500,621
TOTAL FUNDS			119,734,885		118,894,509

The financial statements were approved and authorised for issue by the Trustees on 19 September 2019 and signed on their behalf, by:


Sir Nigel Carrington
Trustee


William Thomas Edgerley
Trustee

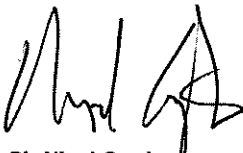
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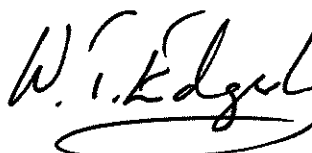
THE HENRY MOORE FOUNDATION
(A company limited by guarantee)
Registered number: 01255762

Company Balance Sheet
as at 31 March 2019

	Note	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	13		16,117,878		16,626,940
Heritage assets	15		1,542,917		1,530,417
Investments	14		95,835,250		94,333,375
			<u>113,496,045</u>		<u>112,490,732</u>
CURRENT ASSETS					
Debtors	17	793,383		729,184	
Cash at bank and in hand		6,068,749		6,515,727	
			<u>6,862,132</u>	<u>7,244,911</u>	
CREDITORS: amounts falling due within one year	18	(796,641)		(1,014,483)	
NET CURRENT ASSETS			<u>6,065,491</u>		<u>6,230,428</u>
NET ASSETS			<u><u>119,561,536</u></u>		<u><u>118,721,160</u></u>
CHARITY FUNDS					
Restricted funds	22		581,328		393,888
Unrestricted funds	22		118,980,208		118,327,272
TOTAL FUNDS			<u><u>119,561,536</u></u>		<u><u>118,721,160</u></u>

The financial statements were approved and authorised for issue by the Trustees on 19 September 2019 and signed on their behalf, by:


Sir Nigel Carrington
Trustee


William Thomas Edgerley
Trustee

The notes on pages 16 to 30 form part of these financial statements.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Consolidated Statement of Cash Flows
for the year ended 31 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	24	(3,334,063)	(3,125,658)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,040,395	2,866,505
Purchase of tangible fixed assets		(72,596)	(266,701)
Net (investment in)/drawdown from investment portfolio		111,522	(1,306,396)
Purchase of heritage assets		(12,500)	-
Net cash provided by investing activities		3,066,821	1,293,408
Change in cash and cash equivalents in the year		(267,242)	(1,832,250)
Cash and cash equivalents brought forward		6,802,756	8,635,006
Cash and cash equivalents carried forward	25	6,535,514	6,802,756

The notes on pages 16 to 30 form part of these financial statements.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Notes to the Financial Statements
for the year ended 31 March 2019

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Henry Moore Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006. The surplus for the year for the company only is £839,907 (2018 - loss of £1,556,080).

1.2 COMPANY STATUS

The Foundation is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the Foundation.

1.3 GOING CONCERN

The trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

1.4 INCOME

Voluntary income includes grants and donations received in addition to gift aid donations for admissions.

Income from other trading activities comprises the income earned by the subsidiary company. Standard deposits received in relation to weddings and events are recognised on receipt whilst the remaining balance is deferred until the wedding or event has been held.

Investment income is recognised on a receivable basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the Bank.

Income from charitable activities includes admissions, sale of publications and catalogues. Income received in relation to exhibitions is recognised at the commencement of the exhibition.

Works of Art income is recognised on a receivable basis.

Restricted grant income is recognised when the Foundation has entitlement to it, the receipt is probable and the amount can be reliably measured. Any unspent balance is carried forward in restricted funds.

Performance related grant income is recognised in the period received but where the related services have not been performed by the period end, the balance is carried forward as deferred income.

1.5 VOLUNTEERS AND DONATED SERVICES AND FACILITIES

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustee's annual report.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Notes to the Financial Statements
for the year ended 31 March 2019

1. ACCOUNTING POLICIES (continued)

1.6 EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Costs of generating funds are those costs incurred in attracting voluntary income, those incurred in trading activities that raise funds, and income from investments.

Charitable activities include expenditure associated with the staging of exhibitions, educational and research programmes and include both the direct costs and support costs relating to these activities.

Support costs include governance costs and central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Termination payments are recognised as soon as there is a legal obligation committing the charity to that expenditure.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation.

Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Foundation.

1.7 INVESTMENT MANAGEMENT FEES

Investment fees are taken by fund managers net of income reinvested in the portfolio. Where this can be accurately measured, investment income and management fees are grossed up within the Statement of Financial Activities. If these cannot be reliably measured, investment income is recognised net of the management fee.

1.8 IRRECOVERABLE VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.9 PENSIONS

The Foundation operates two defined contribution pension schemes. The assets of both schemes are held in separate trustee-administered funds.

1.10 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £3,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	over 50 to 75 years
Long term leasehold property	-	over the period of the lease
Major plant and machinery	-	over 15 years
Fixtures, fittings, plant & machinery	-	20% straight line basis
Motor vehicles	-	25% straight line basis
Computer equipment	-	33% straight line
Assets under construction	-	Depreciated once brought into use

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Notes to the Financial Statements
for the year ended 31 March 2019

1. ACCOUNTING POLICIES (continued)

1.11 HERITAGE ASSETS

The Foundation's works of art comprise assets of artistic and historical importance held to advance the Foundation's core objectives and, through public access, contribute to the nation's culture and education.

The Foundation owns certain assets that are not considered to form part of the core heritage assets and these are held for sale.

Prior to the financial year 2007/08, reliable cost information is not available and conventional valuation approaches lack sufficient reliability, with the cost of providing such information unaffordable and unmanageable, and deemed to outweigh the benefits of the users. Accordingly these assets are not capitalised in the balance sheet.

Works of art in excess of the capitalisation threshold of £3,000 acquired since 1 April 2008 have been capitalised at acquisition value, and treated as non depreciable heritage assets in the balance sheet. A description of the collections and their management in the year are given in Note 15.

1.12 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.13 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Consolidated Statement of Financial Activities.

Investment property is carried at fair value determined annually by the Trustees based on professional advice received. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

1.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.16 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Notes to the Financial Statements
for the year ended 31 March 2019

1. ACCOUNTING POLICIES (continued)

1.17 FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.18 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- Depreciation on fixed assets
- Fair value of investments
- Grants accrued payable in more than one year
- Fair value of fixed assets

2. INCOME FROM DONATIONS, GRANTS AND LEGACIES

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Yorkshire Sculpture International (note 22)	566,004	-	566,004	460,000
Total 2018	460,000	-	460,000	

3. TRADING INCOME - HMF ENTERPRISES LIMITED

The Henry Moore Foundation owns 100% of the ordinary share capital of HMF Enterprises Limited, a provider of retail, event and catering services to The Henry Moore Foundation. A summary of the results of the subsidiary undertaking, HMF Enterprises Limited is set out below:

Audited financial statements will be filed with the Registrar of Companies.

Profit and loss account:

	2019 £	2018 £
Retail sales, event and licensing income	151,368	225,842
Sales of Works of Art from stock	84,180	73,960
Cost of sales	(64,491)	(102,131)
Administrative expenses	171,057 (141,221)	197,671 (109,136)
Net profit	29,836	88,535
Net assets brought forward	179,935	179,935
Gift aid distribution	(29,836)	(88,535)
Net assets carried forward	179,935	179,935

THE HENRY MOORE FOUNDATION
(A company limited by guarantee)

Notes to the Financial Statements
for the year ended 31 March 2019

4. INVESTMENT INCOME

	2019 £	2018 £
Bank interest	44,452	38,481
Investment income	2,929,999	2,774,617
Property income	65,944	53,407
	3,040,395	2,866,505
	3,040,395	2,866,505

In 2018 and 2019 all investment income was unrestricted.

5. CHARITABLE INCOME

	2019 £	2018 £
Catalogue sales and publication income - HM Institute	19,786	13,629
Exhibition income	391,672	211,516
Other income	46,179	133,669
Contributions from Leeds City Council	156,826	152,258
Admissions income	182,400	245,370
	796,863	756,442
	796,863	756,442

In the 2018 and 2019 all charitable income was unrestricted.

6. INVESTMENT RETURNS

Investments are managed on a total return basis and the total return for the year is set out below.

Investment management fees include fees paid to the investment managers and investment advisors. Other fees are charged directly to the investment funds.

	2019 £	2018 £
Income from listed investments	2,929,999	2,774,617
Unrealised gains on investment properties	311,501	-
Unrealised (losses)/gains on listed investments	1,673,826	(640,270)
Realised (losses) on listed investments	(375,427)	(5,138)
Fees to investment managers	(98,504)	(98,520)
	4,441,395	2,030,689
	4,441,395	2,030,689

See Note 14 for further details of the investment funds.

RAISING FUNDS

	2019 £	2018 £
Investment management fees	98,504	98,520
Subsidiary staff costs	151,690	113,851
Subsidiary other costs	45,654	89,065
	295,848	301,436
	295,848	301,436

In 2018 and 2019 all expenditure was from unrestricted funds.

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Notes to the Financial Statements
for the year ended 31 March 2019

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2019 £	Grant funding of activities 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Grants	-	481,590	127,480	609,070	699,036
Curatorial and exhibitions (Perry Green)	1,098,119	-	324,520	1,422,639	1,147,395
Sculpture studies (HMI)	766,469	-	520,129	1,286,598	1,522,300
Estate and visitor services (Perry Green)	676,777	-	509,650	1,186,427	1,228,444
Marketing	316,889	-	29,768	346,657	328,698
Yorkshire Sculpture International (YSI)	378,564	-	-	378,564	66,112
Total 2019	3,236,818	481,590	1,511,547	5,229,955	4,991,985
Total 2018	2,849,353	567,750	1,574,882	4,991,985	

8. GRANTS

	No of grants	2019 £	No of grants	2018 £
Exhibitions and New Projects	60	345,539	70	408,795
Collections	7	65,000	5	63,500
Conferences, Publications and Workshops	11	17,563	8	21,500
Fellowships	2	42,000	2	42,000
Research	7	47,720	6	20,900
Other	1	10,000	-	-
Total Paid in the year	88	527,822	91	556,695
Amount brought forward		(416,700)		(405,645)
Amount carried forward (note 18)		388,468		416,700
Amounts written off	6	(18,000)	-	-
Support Costs allocated		127,480		131,346
		609,070		699,096

In 2018 and 2019 all expenditure was from unrestricted funds.

9. DIRECT COSTS

	Direct costs £	Staff costs £	2019 £	2018 £
Curatorial and exhibitions (Perry Green)	384,960	713,159	1,098,119	751,546
Sculpture studies (HMI)	128,644	637,825	766,469	1,012,446
Estate and visitor services (Perry Green)	356,953	319,824	676,777	758,380
Marketing	171,987	144,902	316,889	260,869
Yorkshire Sculpture International (YSI)	243,483	135,081	378,564	66,112
Total	1,286,027	1,950,791	3,236,818	2,849,353

In 2019 £378,564 (2018 - £74,743) of expenditure was from restricted funds and £2,858,254 (2018 - £2,649,130) from unrestricted funds.

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Notes to the Financial Statements
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10. SUPPORT AND GOVERNANCE COSTS

	General support costs £	Staff costs £	Governance £	2019 £	2018 £
Grants	7,432	114,467	5,581	127,480	131,286
Curatorial and exhibitions (Perry Green)	291,965	-	32,555	324,520	395,849
Sculpture studies (HMI)	493,155	-	26,974	520,129	509,854
Estate and visitor services (Perry Green)	493,837	-	15,813	509,650	470,064
Marketing	17,676	-	12,092	29,768	67,829
Total	1,304,065	114,467	93,015	1,511,547	1,574,882

In 2018 and 2019 all expenditure was from unrestricted funds. In 2018 General support costs were £1,365,921 and staff costs were £109,072. Governance cost comparatives are shown below.

Allocation of governance costs

	2019 £	2018 £
Wages and salaries	30,812	30,307
Operational costs	42,917	50,745
Audit fees	15,025	13,800
Trustee expenses and insurance	4,261	5,307
	93,015	100,159

Allocated in proportion to other costs

11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charitable group	578,159	613,302
Auditor's remuneration - Charity	15,025	13,800
Auditor's remuneration - Subsidiary	4,350	3,300

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12. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	1,936,215	1,695,019
National insurance	144,327	136,392
Other pension costs	167,218	152,183
	<u>2,247,760</u>	<u>1,983,594</u>

During the year the Foundation made termination payments totalling £45,000 (2018 - £44,705) following a restructuring.

The average number of persons employed by the company during the year was as follows:

	2019 No.	2018 No.
Curatorial	41	37
HMI Programme	31	26
Establishment	11	11
Estate	6	6
Marketing	4	4
YSI Project	4	-
	<u>97</u>	<u>84</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £ 60,001 - £ 70,000	3	1
In the band £ 80,001 - £ 90,000	0	1
In the band £ 90,001 - £ 100,000	1	0
In the band £ 120,001 - £ 130,000	0	1
In the band £ 130,001 - £ 140,000	1	0

The key management personnel of the charity comprise the Director, Chief Operating Officer, Head of Exhibitions, HMI, Head of Research, Head of Collections & Exhibitions, Head of Enterprise and Head of Communications (2018 - Director, Chief Operating Officer, Head of HMI Programmes, Head of Research, Head of Collections & Exhibitions, Head of Enterprise and Head of Communications). The total employment benefits including employer's national insurance and pension contributions of key management personnel were £602,737 (2018 - £486,370).

Whilst the trustees are the legal directors of the charity and its subsidiary, they do not consider themselves part of the day-to-day management and are therefore not included as key management personnel. None of the trustees received any remuneration or benefits during the year.

5 Trustees either received reimbursement of expenses or had expenses paid direct by the charity amounting to £1,081 in the current year (2018 - 8 Trustees - £2,061).

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**Notes to the Financial Statements
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13. TANGIBLE FIXED ASSETS

GROUP AND COMPANY	Land and buildings £	Long term leasehold property £	Other fixed assets £	Total £
COST				
At 1 April 2018	22,026,038	1,159,606	439,994	23,625,638
Additions	-	-	72,596	72,596
Transfer to investment property	(20,314)	-	-	(20,314)
At 31 March 2019	<u>22,005,724</u>	<u>1,159,606</u>	<u>512,590</u>	<u>23,677,920</u>
DEPRECIATION				
At 1 April 2018	5,608,494	985,704	404,500	6,998,698
Charge for the year	525,892	25,183	27,084	578,159
Transfer to investment property	(16,815)	-	-	(16,815)
At 31 March 2019	<u>6,117,571</u>	<u>1,010,887</u>	<u>431,584</u>	<u>7,560,042</u>
NET BOOK VALUE				
At 31 March 2019	<u>15,888,153</u>	<u>148,719</u>	<u>81,006</u>	<u>16,117,878</u>
At 31 March 2018	<u>16,417,544</u>	<u>173,902</u>	<u>35,494</u>	<u>16,626,940</u>

14. FIXED ASSET INVESTMENTS

	2019 Market Value £	2019 Cost £	2018 Market Value £	2018 Cost £
Investment property	2,601,000	388,111	2,286,000	384,612
Listed investments	91,861,548	80,245,358	91,563,786	80,245,358
Uninvested Cash	1,366,116	1,366,116	477,003	477,003
Total for Group	<u>95,828,664</u>	<u>81,999,585</u>	<u>94,326,789</u>	<u>81,106,973</u>
Investment in subsidiary undertaking	<u>6,586</u>	<u>6,586</u>	6,586	6,586
Total for Foundation	<u>95,835,250</u>	<u>82,006,171</u>	<u>94,333,375</u>	<u>81,113,559</u>

MOVEMENT ON INVESTMENT PROPERTIES

	2019 £	2018 £
Fair value at beginning of year	2,286,000	2,286,000
Transfers from fixed assets	3,499	-
Net gain / (loss) on revaluation	311,501	-
Fair value at end of year	<u>2,601,000</u>	<u>2,286,000</u>

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Notes to the Financial Statements
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FIXED ASSET INVESTMENTS (CONTINUED)

MOVEMENT IN LISTED INVESTMENTS

	2019	2018
	£	£
Fair value at beginning of year	91,563,786	91,208,622
Additions in year	4,861,955	9,200,011
Disposals in year - sale proceeds	(5,862,592)	(8,199,439)
(Loss)/gain on disposal	(375,427)	(5,138)
Net (loss)/gain on revaluation	1,673,826	(640,270)
	<u>91,861,548</u>	<u>91,563,786</u>

VALUATION

All listed investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The objectives of the funds held by The Henry Moore Foundation are to provide long term growth by investing in a portfolio of other authorised funds, worldwide equities, fixed interest stocks, cash and money market instruments.

The investment managers will take a fundamental and value driven approach to the portfolio allocation, dependant on the relevant attractions of the world equity, fixed interest and currency markets. The fund will take an aggressive view of the stock market weightings in the portfolio, when compared to a neutral world market capitalisation.

The fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price, foreign currency and interest rate risk. The policies are reviewed for managing these risks in order to follow and achieve the investment objective.

INVESTMENT RISK MANAGEMENT POLICY

The Trustees of the Henry Moore Foundation have adopted an investment policy whose purpose is to generate, in a risk-aware manner, both growth in capital and income to enable the Foundation to fulfil its charitable objects. The significance of the portfolio to the longer-term financial sustainability of the Foundation is considered in the Financial Review, Investment Policy and Performance sections of the Trustees' Annual Report.

The Trustees' investment objective is to achieve a return of RPI+4% p.a. over the long term. To that end they have chosen to adopt a multi-asset strategy via a portfolio of funds which comprises a suitable mix of cash, fixed interest, of UK and international equity, property as well of those seeking absolute returns. The funds are managed by specialist managers in their respective fields. Stanhope Consulting, a division of Stanhope Capital LLP, is responsible for advising the Foundation's Finance Committee on strategy, manager selection and tactical asset allocation. The Committee approves any recommendations before they are implemented by Stanhope Consulting and executed by RBC, Jersey, the custodian/administrator.

By maintaining a diversified portfolio and by receiving specialist advice, the Trustees anticipate that the longer-term financial objects of the Foundation will be fulfilled. At the same time, the consistent generation of income on an annual basis should assist the Trustees in meeting the Foundation's shorter-term commitments and should reduce the reliance on the realisation of capital gains to fund liabilities. Risks – credit, interest rate, cash flow, currency and counter-party – are kept under continuous review so as not to endanger the longer-term financial viability of the Foundation. In addition, The Foundation's policy is to retain twelve months' operating funds as cash alongside its investment portfolio.

All investments are carried at their fair value. Funds are valued either on a single- priced or bid basis. Asset sales and purchases are recognised at the transaction value on the trade date. There are no borrowings and exposure to unlisted securities and derivatives within selected funds are thought not to be of a material nature.

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Notes to the Financial Statements
for the year ended 31 March 2019

15. CHARITY HERITAGE ASSETS

GROUP AND COMPANY	Heritage assets	Total
COST VALUE	£	£
At 1 April 2018	1,530,417	1,530,417
Additions	12,500	12,500
At 31 March 2019	<u>1,542,917</u>	<u>1,542,917</u>
At 31 March 2018	<u>1,530,417</u>	<u>1,530,417</u>

CHARITY HERITAGE ASSETS

FIVE YEAR FINANCIAL SUMMARY OF HERITAGE ASSET TRANSACTIONS

	2018/19	2017/18	2016/17	2015/16	2014/15
	£	£	£	£	£
Works of art acquired	12,500	-	-	-	-
Proceeds	-	-	5,438	1,739,552	-

HERITAGE ASSET MANAGEMENT POLICY

The Henry Moore Foundation holds a major collection of the artist's sculpture, drawings, graphics and textiles, as well as a vast photography and letter archive, and library relating to Moore's life and work. National and International standards in the care of its collection are followed with every endeavour to protect and safeguard the collection in its care for future generations. The Foundation acts in accordance with the Museums Association Code of Ethics, ensuring appropriate standards of care and security for all items, DCMS Due Diligence guidelines, ICOM Code of Ethics for museum and BSI PAS197:2009: Code of Practice for Cultural Collections Management in balancing the care of its collection with access and education.

16. STOCKS

	GROUP		COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Finished goods	<u>61,653</u>	<u>37,364</u>	<u>-</u>	<u>-</u>

17. DEBTORS

	GROUP		COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	125,840	367,708	119,287	367,014
Amounts owed by group undertakings	-	-	337,649	131,947
VAT repayable	15,568	-	15,568	-
Other debtors and prepayments	203,410	232,183	203,410	230,223
Museum and gallery exhibition tax rebate debtor	117,469	-	117,469	-
	<u>462,287</u>	<u>599,891</u>	<u>793,383</u>	<u>729,184</u>

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Notes to the Financial Statements
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18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	178,285	152,597	170,561	150,883
Grants committed (see note 7)	388,468	416,700	388,468	416,700
Other taxation and social security	703	48,163	-	47,578
Deferred income	66,337	216,575	61,725	206,732
Other creditors	20,502	14,471	20,502	18,926
Accruals	159,735	181,142	155,385	173,664
	814,030	1,029,648	796,641	1,014,483

Deferred income represents exhibition income and event deposits received in advance.

	GROUP		COMPANY	
	£	£	£	£
DEFERRED INCOME				
Deferred income at 1 April 2018	216,575	114,627	206,732	105,529
Resources deferred during the year	66,337	216,575	61,725	206,732
Amounts released from previous years	(216,575)	(114,627)	(206,732)	(105,529)
Deferred income at 31 March 2019	66,337	216,575	61,725	206,732

19. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the Foundation to the schemes and amounted to £167,218 (2018 - £152,183).

Contributions totalling £19,526 (2018 - £18,926) were payable to the schemes at the balance sheet date and are included in creditors.

20. RELATED PARTY TRANSACTIONS

The Foundation receives a deed of covenant from its subsidiary, HMF Enterprises Limited, at the year end. The deed of covenant in the year amounted to £29,836 (2018 - £88,535). In addition, there are a number of recharges totalling £160,058 (2018 - £122,202) to the subsidiary for costs paid by the Charity. During the year the subsidiary collected visitor admission income on behalf of the Charity, net of other income due back to the subsidiary, of £93,046.

As at 31 March 2019 a debtor of £337,649 (2018 - £131,947) remained outstanding.

21. CONTROLLING PARTY

There is no controlling party. The charitable company is controlled by the trustees, who are listed on page 1, as a body.

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Notes to the Financial Statements
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22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
DESIGNATED FUNDS						
Heritage asset Fund	1,530,417	-	-	12,500	-	1,542,917
Investment Fund	94,326,789	-	-	(108,025)	1,609,900	95,828,664
Capital Reserve Fund	16,626,940	-	-	(509,062)	-	16,117,878
Other Designated Funds	530,097	201,648	(71,146)	345,790	-	1,006,389
	<u>113,014,243</u>	<u>201,648</u>	<u>(71,146)</u>	<u>(258,797)</u>	<u>1,609,900</u>	<u>114,495,848</u>
GENERAL FUNDS						
Charity reserves	5,313,029	3,753,079	(4,870,381)	288,633	-	4,484,360
HMF Enterprises Limited	173,349	235,548	(205,712)	(29,836)	-	173,349
	<u>5,486,378</u>	<u>3,988,627</u>	<u>(5,076,093)</u>	<u>258,797</u>	<u>-</u>	<u>4,657,709</u>
Total Unrestricted funds	<u>118,500,621</u>	<u>4,190,275</u>	<u>(5,147,239)</u>	<u>-</u>	<u>1,609,900</u>	<u>119,153,557</u>
RESTRICTED FUNDS						
Yorkshire Sculpture International	393,888	566,004	(378,564)	-	-	581,328
Total of funds	<u>118,894,509</u>	<u>4,756,279</u>	<u>(5,525,803)</u>	<u>-</u>	<u>1,609,900</u>	<u>119,734,885</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
DESIGNATED FUNDS						
Heritage asset Fund	1,530,417	-	-	-	-	1,530,417
Investment Fund	93,665,801	-	-	1,306,396	(645,408)	94,326,789
Capital Reserve Fund	16,964,909	-	-	(337,969)	-	16,626,940
Other Designated Funds	809,662	89,727	(153,862)	(215,430)	-	530,097
	<u>112,970,789</u>	<u>89,727</u>	<u>(153,862)</u>	<u>752,997</u>	<u>(645,408)</u>	<u>113,014,243</u>
GENERAL FUNDS						
Charity reserves	7,297,819	3,533,220	(4,853,548)	(664,462)	-	5,313,029
HMF Enterprises Limited	173,349	299,802	(211,267)	(88,535)	-	173,349
	<u>7,471,168</u>	<u>3,833,022</u>	<u>(5,064,815)</u>	<u>(752,997)</u>	<u>-</u>	<u>5,486,378</u>
Total Unrestricted funds	<u>120,441,957</u>	<u>3,922,749</u>	<u>(5,218,677)</u>	<u>-</u>	<u>(645,408)</u>	<u>118,500,621</u>

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22. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

Yorkshire Sculpture International Rural Development Programme grant	-	460,000	(66,112)	-	-	393,888
	<u>8,632</u>	<u>-</u>	<u>(8,632)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Unrestricted funds	<u>8,632</u>	<u>460,000</u>	<u>(74,744)</u>	<u>-</u>	<u>-</u>	<u>393,888</u>
Total of funds	<u><u>120,450,589</u></u>	<u><u>4,382,749</u></u>	<u><u>(5,293,421)</u></u>	<u><u>-</u></u>	<u><u>(645,408)</u></u>	<u><u>118,894,509</u></u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	16,117,878	16,117,878
Fixed asset investments	-	95,828,664	95,828,664
Heritage assets	-	1,542,917	1,542,917
Current assets	581,328	6,478,128	7,059,456
Creditors due within one year	-	(814,030)	(814,030)
	<u><u>581,328</u></u>	<u><u>119,153,557</u></u>	<u><u>119,734,885</u></u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	16,626,940	16,626,940
Fixed asset investments	-	94,326,789	94,326,789
Heritage assets	-	1,530,417	1,530,417
Current assets	393,888	7,046,123	7,440,011
Creditors due within one year	-	(1,029,648)	(1,029,648)
	<u><u>393,888</u></u>	<u><u>118,500,621</u></u>	<u><u>118,894,509</u></u>

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24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	GROUP	
	2019	2018
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	840,376	(1,556,080)
Adjustment for:		
Depreciation charges	578,159	613,302
(Losses)/gains on investments	(1,609,900)	645,408
Dividends, interest and rents from investments	(3,040,395)	(2,866,505)
Increase in stocks	(24,289)	(1,396)
Decrease in debtors	137,604	26,248
(Decrease)/increase in creditors	(215,618)	13,365
Net cash used in operating activities	(3,334,063)	(3,125,658)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	GROUP	
	2019	2018
	£	£
Cash in hand	4,535,514	6,802,756
Notice deposits (less than 3 months)	2,000,000	-
Total	6,535,514	6,802,756