

Registered number: 01255762
Charity number: 271370

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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 2020

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

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

Company secretary

Ian Parker - who served up to 31 March 2020 upon which date the role was abolished by unanimous agreement of the Trustees

Website

www.henry-moore.org

Independent auditors

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

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(CONTINUED)
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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, 19-21 Broad Street, St Heller, Jersey, JE1 8PB

Solicitors

CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London, EC1A 4DD

Hewitsons LLP, Shakespeare House, 42 Newmarket Road, Cambridge, CB5 8EP

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

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 2020. 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) (second edition - October 2019) effective January 2019.

Trustees' Report

AIMS, OBJECTIVES AND ACTIVITIES

Aims and Objectives

Henry Moore established his Foundation to advance the education of the public and encourage their appreciation of the fine arts, and in particular the works of Henry Moore.

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;
- Promote and encourage public interest in Henry Moore and the work 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 Studios & Gardens, Perry Green, Moore's former home in Hertfordshire; the Henry Moore Institute in Leeds; across the UK, and internationally through touring exhibitions and loans; through the grants programmes; and through the innovative Yorkshire Sculpture International partnership project. These programmes 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.*

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 underlying 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.

Although the year ended on a challenging note with the arrival of the Coronavirus pandemic and the temporary closure of the Foundation's venues and facilities on 16 March 2020 as part of the UK-wide lockdown, this does not diminish the achievements of the Foundation in the preceding 11 months of the year. 2019-20 was a

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Trustees' Report (CONTINUED)

successful year, not only in respect of programmed activities and the support of visitors, audiences and partners, but also in relation to financial performance. This success was however masked by the tumbling value of the investment portfolio in the last two weeks of the financial year due to the worldwide pandemic, which was largely recovered in the following six months.

The Foundation pursued its ambitious programme of touring exhibitions of works from the Henry Moore collection, most notably *Henry Moore at Houghton Hall* in summer 2019. 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 remained a strategic priority for the Foundation with the commencement of the collection of oral histories.

The Institute continued to encourage and facilitate research into the history and practice of sculpture through exhibitions, conferences, lectures and publications, with notable highlights including the exhibitions *Edward Allington: Things Unsaid* and *Paloma Varga Weisz: Bumped Body*. The last of these shows opened just a few days before the UK-wide Coronavirus lockdown, so this exhibition continues through to winter 2020-21.

The importance of partnership was centre stage this year, specifically in Yorkshire, where the Foundation, represented by the Henry Moore Institute, and its partner organisations concerned with sculpture presented the collaborative pilot programme, the Yorkshire Sculpture International. This ground-breaking partnership project, supported by Arts Council England and other key strategic funding partners, attracted 1.4 million visitors and engaged 22,000 school children.

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. 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.

Status

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

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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.

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, 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 Drawings, The Art of Seeing was presented in the Sheep Field Barn Gallery at Henry Moore Studios & Gardens from April to October 2019. This was complimented by a new publication of the same title. An extensive display of sculpture was also presented in the grounds where Moore's studios and former home, Hoglands, are located.

The exhibition Henry Moore at Houghton Hall took place from May to September 2019 and substantial loans from the collection supported the exhibitions Modern British Sculpture at RHS Garden Wisley (May to December 2019), Sculptural Citizens: Henry Moore's Harlow Family Group at The Gibberd Gallery, Harlow (August to October 2019) and Bill Brandt, Henry Moore and the Making of Modern Britain, which opened at the Hepworth Wakefield in February 2020 and will tour to the Sainsbury Centre for Visual Arts, Norwich, and Yale Centre for British Art, New Haven, USA closing in July 2021.

Numerous individual loans from the Foundation's collection were displayed in other exhibitions, notably: Préhistoire et Modernité, Centre Pompidou, Paris; Brave New Visions, Sotheby's, London as part of the Insiders Outsiders Festival; Genealogies of Art at the Fundación Juan March, Madrid and the Museo Picasso Málaga; Art of Innovation at the Science Museum, London, British Surrealism at Dulwich Picture Gallery and 800 Years of Spirit and Endeavour at Salisbury Cathedral.

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 2,277 (2019: 2,553) 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 gallery tours were programmed to complement the exhibition and a three-part conference was staged with an artist talk in London, a day of papers at Henry Moore Studios & Gardens and a day at the Henry Moore Institute finding connections between sculptors' drawings in all three locations and promoting the research of young scholars and artists.

The Foundation was the co-convenor for the international conference *Homework: Artists' Studio Homes and Their Afterlives in Britain and the United States* held 30 September to 1 October at Studios & Gardens (with additional site visits before and after). The American association Historic Artist Homes and Studios and the Paul

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Trustees' Report (CONTINUED)

Mellon Centre were project partners, with support from the British-based Artist Studio Museum Network.

A new guidebook for Henry Moore Studios & Gardens was published in February 2020.

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. The archive outreach programme began in earnest with several undergraduate and postgraduate courses targeted. In addition, new specialist tours were developed, drawing classes initiated, and a series of successful 'open days' showcased the archive collection. The collection of oral histories also began.

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, which was upgraded in December 2019. 11,191 works were available online by March 2020, and records for Henry Moore's Catalogue Raisonné have now been published up to 1969. 80 Sketchbooks are published online with several recreated using Turn the Pages software.

In April 2019 AB Foundry restored Sheep Piece 1962 (LH 515) to its original colour, in preparation for the loan to RHS Wisley. The collection of deluxe books and portfolios was re-housed in the Archive store following conservation assessment and cleaning. Conservation work was also carried out on a number of works on paper in Hoglands.

The Review Panel met in June and October 2019. At these two meetings 28 works were assessed and nine previously unseen works were accepted for inclusion in the Catalogue Raisonné, including one unrecorded drawing. During the year, 127 research enquiries were processed plus approximately 165 email enquiries answered.

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 and events was delivered, alongside hosting Visiting Research Fellows and working with higher and further education institutions. The Research Library was maintained and the collections developed, while 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. This was done through displays, events and Fellows' research. Partnerships were developed and new audiences fostered, including through our new engagement programmes.

In the year, three major exhibitions were presented in the three main galleries, plus five 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, exhibitions and displays drawn from the collections. Of particular note was the inaugural *Yorkshire Sculpture International* exhibition, delivered in partnership with The Hepworth Wakefield, Leeds Art Gallery and Yorkshire Sculpture Park, which significantly raised the profile of Yorkshire as the UK home of sculpture, its presentation and research with exhibitions, events and symposia. Further highlights include the exhibitions *Edward Allington: Things Unsaid* and *Paloma Varga Weisz: Bumped Body*.

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 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.

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The expansive research programme included conferences, symposia, lectures, gallery discussions, film screenings and book launches throughout the year, in person and on-line. The annual Academic Open Day introduced the Institute's resources and activities to the academic community and a careers day gave young people the opportunity to consider research opportunities as future professions. 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 were realised through the *Yorkshire Sculpture International* programmes. A new fellowship was initiated with Bloomberg New Contemporaries and Leeds Beckett University to support a young sculptor. 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 appreciates the financial commitment of Leeds City Council, and the partnership through which we manage the City's sculpture collection and its archive of sculptors' papers.

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

The Foundation primarily 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 for a ground-breaking international sculpture partnership project: Yorkshire Sculpture International. This ambitious collaborative programme, the UK's largest event to celebrate sculpture, took place from 21 June to 29 September 2019.

The project was supported with financial and in kind resources from all four partners, and was overseen by a steering group consisting of senior representatives from each partner. The Foundation was 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. The Foundation received grant income on behalf of the Yorkshire Sculpture International partnership from Arts Council England, Leeds City Council, Wakefield Council, Paul Hamlyn Foundation, Freeland Foundation, Leeds University, Leeds Beckett University, Leeds City College, Wakefield College, Reed Smith Global Solutions, Ernest Cook Trust and Art UK. This income was held in a restricted fund in the Foundation's financial statements. These funds are not used to support the Foundation's own activities or overheads.

The project attracted 1.4 million visitors and additionally, created 47,000 individual experiences of sculpture related event and directly engaged 22,000 school children.

The project was recognised by partner organisations and funders as a successful pilot and the project was extended to allow preparations to be made for the next iteration in 2023.

The Foundation employs the project delivery team on fixed term contracts on behalf of the partnership, in light of forward planning, three of these contracts have been extended to allow for the future of the project to be developed. This extended phase is supported by Arts Council England. It is hoped that this will herald an ongoing series of sculpture triennials in Yorkshire.

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Trustees' Report (CONTINUED)

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, commissions, collections' acquisitions and conservation; post-doctoral research fellowships; research and development; and conferences and publications. 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 92 grants to the value of £500,000 (2019: £527,822).

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 this financial support 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.

Aim: To promote and encourage public interest in Henry Moore and the work of the Foundation and build relationships with a range of audiences, nationally and internationally, to grow actual and virtual visitor numbers

The Marketing & Communications department is responsible for promoting and encouraging public interest in sculpture and in the work of Henry Moore in particular. Targeted marketing strategies are devised, planned and implemented across a variety of disciplines and channels to attract audiences to the Foundation's two sites and research facilities and to raise awareness of the grants programme.

Henry Moore Studios & Gardens, including the *Henry Moore Drawings the Art of Seeing* exhibition, attracted 19,835 (2019: 16,767) 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 144,083 (2019: 95,223). The Friends scheme attracted 228 new members at Henry Moore Studios & Gardens. Due to the new GDPR regulations and cookies policy, the Foundation's website saw a decrease in users: 237,755 (2019: 287,586). Social media followers grew by 18% in the year to 47,344 (2019: 39,999) across the organisation's Facebook, Twitter and Instagram platforms.

Total media circulation, reach and impressions for the year was estimated at 43 million. Notable projects included an episode of BBC World Service that featured an interview with Mary Moore in the Bourne Maquette Studio for their 'Witness History' programme.

Supporters: Henry Moore Collectors' Circle

The Henry Moore Collectors' Circle is an informal group of like-minded collectors who are passionate about the work and legacy of Henry Moore set up in spring 2019. It is anticipated that this group and the individuals within it will become supporters of the Foundation and its work.

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Trustees' Report (CONTINUED)

Supporters: Volunteers

The Foundation is grateful for the unstinting efforts of its volunteers who are involved in administrative and archival duties (8), as gardeners (13), in guiding schools and groups around Henry Moore's Studios and Gardens (24) and as guides at the Institute during the Yorkshire Sculpture International (14) in summer of 2019. It is estimated that approximately 12,000 volunteer hours were provided during the year. If this time is conservatively valued at £12 per hour, the volunteer effort amounts to £144,000 in the period. The Foundation also hosted 4 interns during the year in the research and marketing teams at the Henry Moore Institute

Volunteers and interns receive an induction and training; they are also required to enter into a formal signed agreement with the Foundation.

Safeguarding

The Foundation has a policy for safeguarding and the protection of children, young people and vulnerable adults that was last reviewed in September 2018.

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 2019 to 31 March 2020.

Capital Expenditure

Small scale capital works were undertaken at the Henry Moore Institute to improve disabled access. Funds were set aside for the installation of a new air source heat pump at Longfield Barn, Perry Green. A sum of £179,573 is included in Assets Under Construction representing work in progress on the air source heat pump installation.

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IMPACT OF COVID-19

The Foundation's venues were closed and all programmed activities suspended in the early part of 2020-21. 41% of HMF employees were placed on the Government's Coronavirus Job Retention Scheme; 28% continued to work at home to maintain core operations and planning; and 28% (those on fixed term seasonal contracts) had the start of their contracts postponed by three months. The Foundation's HR team remained fully operational throughout this period and paid particular attention to the wellbeing of all members of staff. All furloughed employees had returned to work by September 2020, with a handful remaining on part time working/flexi-furlough into October while specific areas of operation were gradually restarted.

Henry Moore Studios & Gardens re-opened to the public on 4 July 2020 with full COVID-secure measures in place, including a pre-booking system with staggered entry times. The nature of the open air site and quantity of positive feedback on social media channels about safety measures undoubtedly contributed to a successful visitor season with higher than average visitor numbers. The re-opening of the indoor facilities at the Henry Moore Institute was delayed until 1 September 2020. This venue also received positive comments about COVID-secure measures and the limitation on visitor numbers was welcomed. It is anticipated that the COVID-Secure measures implemented for visitors and employees in 2020 will be retained into 2021-22. Learning from these new COVID models and visitor feedback will inform our future decision-making and operations; for example academic, learning and engagement activities will be moved online.

The programme of Henry Moore touring exhibitions planned for spring/summer 2020 was postponed to future years, with all venue partners currently retaining their contractual commitments.

The Foundation relies on income from its quasi endowment to cover the majority of its running costs, so the recovery of the value of the investment portfolio to close to pre-pandemic levels was welcomed. The portfolio was valued at £90 million at 30 September 2020.

The Foundation does not fundraise in the traditional sense, so the effect of COVID-19 has not impacted on income generation in the same way as in some other charities. However, trading activities managed through HMF Enterprises (e.g. retail, catering, events and facilities hire) have been impacted and contributed income from this source will be lower than in previous years. Members of the Enterprise team were placed on furlough or redeployed to work in the charity to mitigate trading losses. Expenditure on charitable activities, including grant giving, was reduced in 2020-21 in line with reduced income streams and the purchase of replacement equipment was postponed for at least 12 months.

The uncertainties of the Coronavirus pandemic will undoubtedly continue to impact on the finances and operations of the Foundation in the immediate future. However, careful financial planning, the introduction of an emergency budget for 2020-21 and robust financial controls, plus the welcome support of the Government's Coronavirus Job Retention Scheme will all contribute towards maintaining financial stability throughout 2020-21. At October 2020, the year end forecast for 31 March 2021 is positive and levels of reserves and designated funds are set to be maintained at similar levels as in previous years. Looking to the future, the Foundation can rely upon its operating reserves and investment portfolio to underpin the financial health of the organisation and enable continuity of future planning.

FUTURE ACTIVITY

The executive recently reviewed and updated the five year plan up to 2020-25, which was approved by the Board in September 2020. In addition to the core tenet of resilience, the new iteration of the five year plan develops five important principles: understanding, developing and engaging audiences; increasing impact through partnering; ensuring that the Foundation's work and relevance is widely recognised; ensuring that race equality, diversity and inclusion are fundamental to our core values; and ensuring that our ambitions are sustainably resourced – both financially and environmentally. Critically, this strategic plan also acknowledges the Coronavirus pandemic,

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particularly the changes and learning brought about by the impact of the virus in the first six months of 2020-21.

A new Head of Marketing & Communications was appointed towards the end of the year to lead our audience development strategy for the coming years. The recently appointed Engagement Curator at the Henry Moore Institute will be joined by a similar post based at Henry Moore Studios & Gardens in early 2021 and together they will develop and manage enhanced learning and engagement activities for people of all ages that complement the programmes at both sites.

The importance of partnership working will continue to be a key feature, particularly in Yorkshire, where planning is already underway for the next iteration of the Yorkshire Sculpture International project in 2023. The Foundation aims to further broaden its learning and research remit by working with university partners in both Leeds 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 the coming years.

The Foundation will develop the efficacy of its public relations, not only to attract audiences at both venues, but also to promote Henry Moore and sculpture generally, to help create 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 and digital engagement, which will continue to develop and grow.

The recent focus on issues of diversity and inclusion, particularly highlighted by the Black Lives Matter movement, has energised the Foundation in its ambitions to ensure that the delivery of its charitable aims and its wider practices embody diversity and inclusivity across all protected characteristics. Specifically, a race equality action plan has been drawn up that is now embedded within this Five Year Plan to focus delivery of this commitment across all areas of the organisation.

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. Exhibitions are planned in Florence, Somerset and The Hague in the coming years. Visitor admissions and trading operations at Henry Moore Studios & Gardens will continue to be an important income stream. This will be complemented by carefully selected commercial partnerships with brands such as Alexander McQueen whose Men's Autumn Collection 2020 features a drawing by Henry Moore.

Environmental concerns play an increasingly important consideration for the Foundation. Our environmental action plan will be formally adopted and implemented in 2021.

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Trustees' Report (CONTINUED)

FINANCIAL REVIEW

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 fulfil 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 2020, the total capital market value of the Foundation's investment portfolio is £84,880,667 (2019: £95,828,664) representing a decrease in value of 11.4%. There is a negative total return for the year of -£7,036,714 (2019: £4,441,395). These results follow the sharp fall in values across worldwide markets due to the Coronavirus pandemic, which took hold in the UK just prior to the end of the financial year. In December 2019, the value of the investment portfolio had been £98.7 million. Investment income remained constant throughout the year until the last quarter, delivering £2,640,820 (2019: £2,929,999) overall. There was a modest reduction in investment managers' fees, specifically custodian and adviser's fees, at £96,130 (2019: £98,504). The Foundation is predominantly invested in pooled funds where fund managers' fees are netted off against the fund value.

Financial Analysis

At the year end the Foundation holds Total Funds of £108,373,409 (2019: £119,734,885), of which:

- £84,880,667 (2019: £95,828,664) is held in investments and managed as a quasi-endowment;
- £17,252,444 (2019: £17,660,795) is held in heritage and other tangible assets; and
- £6,240,298 (2019: £6,245,426) is in net current assets.

The Total Funds include Restricted funds of £96,554 (2019: £581,328), this being the net balance of the Yorkshire Sculpture International project. There are no other Restricted funds at the year end.

The year saw a reduction in incoming resources of 11.8% to £4,192,899 (2019: £4,756,279), of which £269,166 (2019: £566,004) is restricted income relating to Yorkshire Sculpture International that accounts for more than

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Trustees' Report (CONTINUED)

half of the reduction in overall income (the majority of the funding for this project having been achieved in 2018/19). The reduction in investment income to £2,750,028 (2019: £3,040,395) explains the balance of the reduction in overall income. Charitable income earned from activities remains stable at £792,037 (2019: £796,863), however a 17% increase in admissions income and a 101% increase in catalogue sales masked an 18% reduction in exhibition fees. There is a modest increase in trading income to £242,772 (2019: £235,548) due to enhanced licensing opportunities. The Foundation is grateful to receive Museum and Gallery Tax Relief of £138,896 (2019: £117,469).

Expenditure increased by 8.1% to £5,973,556 (2019: £5,525,803), primarily due to the Yorkshire Sculpture International project, which took place in 2019, the costs for which total £753,940 in the year (2019: £378,564).

The Foundation is grateful to receive a sum of £159,806 from Leeds City Council as a contribution towards the running costs of the Henry Moore Institute and upkeep of the Council's sculpture collections and archive of artists' papers. The Foundation also received grant income totalling £269,166 (restricted) 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 £103,197,838 (2019: £114,495,848) 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 £84,880,667 (2019: £95,828,664);
- a capital reserve fund representing the net book value of fixed assets held by the Foundation amounting to £15,709,527 (2019: £16,117,878);
- a heritage asset fund of £1,542,917 (2019: £1,542,917) to protect purchased artworks;
- other designated funds totalling £1,064,727 (2019: £1,006,389) set aside by the Trustees for specific projects, including Longfield Barn Air Source Heat Pumps (balance remaining £112,037), the Henry Moore Purchase Reserve Fund (£175,548), a sinking fund (£286,365) and other specified activities scheduled for delivery in the next 12 - 18 months.

After setting aside the HMF Enterprises' operating reserve of £173,934 (2019: £173,349), this leaves a balance of £4,905,083 (2019: £4,484,360) 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 £4,905,083 provides liquidity at a higher level, which is considered appropriate given the uncertainty due to the Coronavirus pandemic and potential volatility in investment returns following the 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.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Trustees' Report (CONTINUED)

Risk management

The Trustees review the major financial and non financial 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 quarterly 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 the wider world, including the Coronavirus pandemic, causes 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 (TinyTags) provide backup data that is assessed regularly by operations and registrarial personnel.

Specific Coronavirus risks were considered in March 2020 and mitigating measures put in place as far as possible. Detailed COVID-secure risk assessments were undertaken in July 2020 for all spaces and facilities used by the Foundation's employees and public visitors and COVID-Safe certificates obtained.

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.

Pensions

The Foundation has a long-standing Group Personal Pension Plan in place for all eligible permanent employees. Auto-enrolment has been in place since April 2015 to include all eligible employees who do not join the existing scheme. These employees are auto-enrolled with the National Employment Savings Trust (NEST).

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 further two sub-committees, Nominations Committee and Remuneration Committee, meet 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 chair of the Board of Trustees. He was appointed to the position for a term of five years at the AGM in November 2014 and re-appointed for a further term at the AGM in December 2019.

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 September 2020.

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 Remuneration 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. Key management personnel are detailed in note 13.

Data Protection

The Foundation takes the protection of personal data very seriously and is mindful of the General Data Protection Regulations (GDPR), of 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
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

AUDITOR

A resolution proposing that PEM (formerly Peters Elworthy & Moore) be re appointed as auditors of the company will be put to the Annual General Meeting

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 AUDITOR

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 company and the 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 information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Sir Nigel Carrington
Chair, Board of Trustees


.....
William Thomas Edgerley
Trustee and Chair of Finance &
General Purposes Committee

Date: 17 December 2020

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 charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the 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 2020 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

THE HENRY MOORE FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENRY MOORE FOUNDATION
(CONTINUED)

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 has 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.

We have nothing to report in respect of the following matters in relation to which 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

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENRY MOORE FOUNDATION
(CONTINUED)

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

Judith Coplowe (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: *21 December 2020*

THE HENRY MOORE FOUNDATION

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNTS) FOR THE YEAR ENDED 31 MARCH 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:					
Donations and grants	2	-	269,166	269,166	566,004
Charitable Activities	5	792,037	-	792,037	796,863
Other trading activities	3	242,772	-	242,772	235,548
Investments	4	2,750,028	-	2,750,028	3,040,395
Other income	7	138,896	-	138,896	117,469
TOTAL INCOME		3,923,733	269,166	4,192,899	4,756,279
EXPENDITURE ON:					
Raising funds	6	318,989	-	318,989	295,848
Charitable activities	8	4,900,627	753,940	5,654,567	5,229,955
TOTAL EXPENDITURE		5,219,616	753,940	5,973,556	5,525,803
NET (EXPENDITURE) BEFORE INVESTMENT (LOSSES)/GAINS		(1,295,883)	(484,774)	(1,780,657)	(769,524)
Net gains/(losses) on investments	6	(9,581,404)	-	(9,581,404)	1,609,900
Taxation	14	585	-	585	-
NET MOVEMENT IN FUNDS	21	(10,876,702)	(484,774)	(11,361,476)	840,376
RECONCILIATION OF FUNDS:					
Total funds brought forward	21	119,153,557	581,328	119,734,885	118,894,509
TOTAL FUNDS CARRIED FORWARD	21	108,276,855	96,554	108,373,409	119,734,885

The notes on pages 24 to 51 form part of these financial statements.

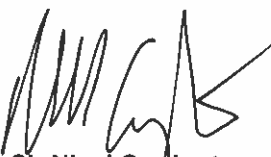
THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01255762

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020

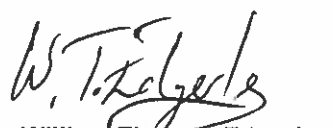
	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	15,709,527	16,117,878
Heritage assets	16	1,542,917	1,542,917
Investments	17	84,880,667	95,828,664
		<u>102,133,111</u>	<u>113,489,459</u>
CURRENT ASSETS			
Stocks	18	42,544	61,653
Debtors	19	282,085	458,704
Cash at bank and in hand		6,715,490	6,535,516
		<u>7,040,119</u>	<u>7,055,873</u>
Creditors: amounts falling due within one year	20	(799,821)	(810,447)
NET CURRENT ASSETS		<u>6,240,298</u>	<u>6,245,426</u>
TOTAL NET ASSETS		<u><u>108,373,409</u></u>	<u><u>119,734,885</u></u>
CHARITY FUNDS			
Restricted funds	21	96,554	581,328
Unrestricted funds	21	108,276,855	119,153,557
TOTAL FUNDS		<u><u>108,373,409</u></u>	<u><u>119,734,885</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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


Sir Nigel Carrington
Trustee

Date: 17 December 2020


William Thomas Edgerley
Trustee

The notes on pages 24 to 51 form part of these financial statements.

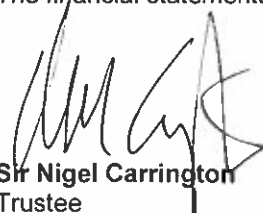
THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01255762

COMPANY BALANCE SHEET
AS AT 31 MARCH 2020


	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	15	15,709,527	16,117,878
Heritage assets	16	1,542,917	1,542,917
Investments	17	84,887,253	95,835,250
		<u>102,139,697</u>	<u>113,496,045</u>
CURRENT ASSETS			
Debtors	19	639,750	789,800
Cash at bank and in hand		6,205,730	6,068,749
		<u>6,845,480</u>	<u>6,858,549</u>
Creditors: amounts falling due within one year	20	(785,702)	(793,058)
NET CURRENT ASSETS		<u>6,059,778</u>	<u>6,065,491</u>
TOTAL NET ASSETS		<u><u>108,199,475</u></u>	<u><u>119,561,536</u></u>
CHARITY FUNDS			
Restricted funds	21	96,554	581,328
Unrestricted funds	21	108,102,921	118,980,208
TOTAL FUNDS		<u><u>108,199,475</u></u>	<u><u>119,561,536</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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


Sir Nigel Carrington
Trustee

Date: 17 December 2020


William Thomas Edgerley
Trustee

The notes on pages 24 to 51 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 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	23	(3,757,074)	(3,334,063)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		2,750,028	3,040,395
Purchase of tangible fixed assets		(179,573)	(72,596)
Net (investment in)/ drawdown from investment portfolio		1,366,593	111,522
Purchase of heritage assets		-	(12,500)
NET CASH PROVIDED BY INVESTING ACTIVITIES		3,937,048	3,066,821
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		179,974	(267,242)
Cash and cash equivalents at the beginning of the year		6,535,516	6,802,758
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24	6,715,490	6,535,516

The notes on pages 24 to 51 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 2020

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (second edition - October 2019) effective 1 January 2019, 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 Consolidated Statement of Financial Activities (SOFA) and Consolidated 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.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The deficit (2019 - surplus) for the year for the company only is £11,530,862 (2019 - £839,907).

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

For the first three months after the year end, the impact of government restrictions as a result of the Coronavirus pandemic led to a temporary cessation of activities. This will impact operational income in 2020/21.

The investment portfolio is managed akin to an endowment, whereby annual yield is set aside to provide revenue for the Foundation. This will continue for the foreseeable future and the budget for the short term will be managed to ensure expenditure is within allocated income.

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.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

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 SERVICES

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 2020

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

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 life.

The estimated useful lives are as follows:

Freehold property	- 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 and machinery	- 20% straight line basis
Motor vehicles	- 25% straight line basis
Computer equipment	- 33% straight line
Assets under construction	- Depreciated once brought into use

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.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

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 Group 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 Group 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 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements 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 of fixed assets
- Fair value of investments
- Grants accrued payable in more than one year
- Fair value of fixed assets

1.14 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 the 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 presented as '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.

Investments in subsidiaries are valued at cost less provision for impairment.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. ACCOUNTING POLICIES (CONTINUED)

1.15 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.

1.16 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.

1.17 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 in the Consolidated Statement of Financial Activities within interest payable and similar charges.

1.18 FINANCIAL INSTRUMENTS

The Group 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.

2. INCOME FROM DONATIONS, GRANTS AND LEGACIES

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Yorksire Sculpture International (note 21)	269,166	269,166	566,004
	<u> </u>	<u> </u>	<u> </u>
Total 2019	<u>566,004</u>	<u>566,004</u>	

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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:

	2020 £	2019 £
Retail sales, event and licensing income	178,194	151,368
Sales of Works of Art from stock	18,378	84,180
Cost of sales	(83,068)	(64,491)
	<u>113,504</u>	<u>171,057</u>
Other operating income	46,200	-
Administrative expenses	(148,025)	(141,221)
	<u>11,679</u>	<u>29,836</u>
Net profit before tax	11,679	29,836
Tax on profit	585	-
	<u>12,264</u>	<u>29,836</u>
Net profit after tax	12,264	29,836
Net assets brought forward	173,349	173,349
Gift aid distribution	(11,679)	(29,836)
Net assets carried forward	<u><u>173,934</u></u>	<u><u>173,349</u></u>

Other trading income includes retail sales, event and licensing income, sales of works of art from stock and other operating income of £242,772 (2019 - £235,548).

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**NOTES TO THE FINANCIAL STATEMENTS
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4. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	2,640,820	2,640,820	2,929,999
Property income	67,981	67,981	65,944
Bank interest	41,227	41,227	44,452
	<u>2,750,028</u>	<u>2,750,028</u>	<u>3,040,395</u>
Total 2019	<u>3,040,395</u>	<u>3,040,395</u>	

In 2019 and 2020 all investment income was unrestricted.

5. CHARITABLE INCOME

	2020 £	2019 £
Catalogue sales and publication Income - HM Institute	58,183	19,786
Exhibition income	320,698	391,672
Other income	39,526	46,179
Contributions from Leeds City Council	159,806	156,826
Admissions income	213,824	182,400
	<u>792,037</u>	<u>796,863</u>

In 2019 and 2020 all charitable income was unrestricted.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
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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.

	2020 £	2019 £
Income from listed investments	2,640,820	2,929,999
Unrealised gains on investment properties	-	311,501
Unrealised (losses)/gains on listed investments	(9,345,199)	1,673,826
Realised (losses) on listed investments	(236,205)	(375,427)
Fees to investment managers	(96,130)	(98,504)
Total return for the year	(7,036,714)	4,441,395

RAISING FUNDS

	2020 £	2019 £
Investment management fees	96,130	98,504
Subsidiary staff costs	156,158	151,690
Subsidiary other costs	66,701	45,654
	318,989	295,848

In 2019 and 2020 all expenditure was from unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
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7. OTHER INCOMING RESOURCES

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Museum and gallery exhibition tax relief	138,896	138,896	117,469
TOTAL 2019	117,469	117,469	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly (note 9) 2020 £	Grant funding of activities (note 11) 2020 £	Support costs (note 10) 2020 £	Total funds 2020 £	Total funds 2019 £
Grants	-	500,000	129,117	629,117	609,070
Curatorial and exhibitions (Perry Green)	1,111,619	-	258,576	1,370,195	1,422,639
Sculpture studies (HMI)	810,295	-	524,888	1,335,183	1,286,598
Estate and visitor services (Perry Green)	308,900	-	898,621	1,207,521	1,186,427
Marketing	323,662	-	34,949	358,611	346,657
Yorkshire Sculpture International (YSI)	753,940	-	-	753,940	378,564
	3,308,416	500,000	1,846,151	5,654,567	5,229,955
Total 2019	3,236,818	481,590	1,511,547	5,229,955	

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NOTES TO THE FINANCIAL STATEMENTS
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9. DIRECT COSTS

	Direct Costs	Staff Costs	2020	2019
	£	£	£	£
Curatorial and exhibitions (Perry Green)	325,171	786,448	1,111,619	1,098,119
Sculpture studies (HMI)	163,436	646,859	810,295	766,469
Estate and visitor services (Perry Green)	50,208	258,692	308,900	676,777
Marketing	172,734	150,928	323,662	316,889
Yorkshire Sculpture International (YSI)	597,998	155,942	753,940	378,564
Total	1,309,547	1,998,869	3,308,416	3,236,818

In 2020 £753,940 (2019- £378,56) of expenditure was from restricted funds and £2,554,476 (2019- £2,858,254) from unrestricted funds

10. SUPPORT AND GOVERNANCE COSTS

	General support costs	Staff Costs	Governance	2020	2019
	£	£	£	£	£
Grants	8,706	114,293	6,118	129,117	127,480
Curatorial & exhibitions (Perry Green)	222,888	-	35,688	258,576	324,520
Sculpture studies (HMI)	495,318	-	29,570	524,888	520,129
Estate and visitor services (Perry Green)	881,287	-	17,334	898,621	509,650
Marketing	21,693	-	13,256	34,949	29,768
Total	1,629,892	114,293	101,966	1,846,151	1,511,547

In 2019 and 2020 all expenditure was from unrestricted funds. In 2019 General support costs were £1,304,065 and staff costs were £114,467. Governance cost comparatives are shown below.

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Allocation of governance costs

	2020 £	2019 £
Wages and salaries	32,136	30,812
Operational costs	50,431	42,917
Audit fees	15,400	15,025
Trustees expenses and insurance	3,999	4,261
	<u>101,966</u>	<u>93,015</u>

Allocated in proportion to other costs.

11. GRANTS

	2020 £	2019 £
Exhibitions and New Projects	237,500	345,539
Collections	128,500	65,000
Conferences, Publications and Workshops	18,000	17,563
Fellowships	42,000	42,000
Research	44,000	47,720
Other	30,000	10,000
	<u>500,000</u>	<u>527,822</u>

In 2019 and 2020 all expenditure was from unrestricted funds.

12. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the company's auditor for the audit of the company's annual accounts	15,400	15,025
Fees payable to the company's auditor in respect of: Auditor's remuneration - Subsidiary	<u>4,450</u>	<u>4,350</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	1,959,432	1,936,215	1,932,399	1,910,493
Social security costs	155,150	144,327	155,150	144,327
Contribution to defined contribution pension schemes	186,875	167,218	186,875	167,218
	<u>2,301,457</u>	<u>2,247,760</u>	<u>2,274,424</u>	<u>2,222,038</u>

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

	Group 2020 No.	Group 2019 No.
Curatorial	45	41
HMI Programme	27	31
Establishment	11	11
Estate	6	6
Marketing	4	4
YSI Project	8	4
	<u>101</u>	<u>97</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	2	3
In the band £90,001 - £100,000	1	1
In the band £130,001 - £140,000	1	1

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NOTES TO THE FINANCIAL STATEMENTS
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13. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)

The key management personnel of the charity comprise the Director, Chief Operating Officer, Head of Henry Moore Collections & Exhibitions, Head of Henry Moore Institute, Head of Enterprise and Head of Marketing & Communications (2019 - Director, Chief Operating Officer, Head of Henry Moore Collections & Exhibitions, Head of Exhibitions (HMI), Head of Research (HMI), Head of Enterprise and Head of Marketing & Communications). The total employment benefits including employer's national insurance and pension contributions of key management personnel were £514,096 (2019 - £602,737).

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 £855 in the current year (2019 - 5 Trustees - £1,081).

14. TAXATION

	2020 £	2019 £
CORPORATION TAX		
Adjustments in respect of previous periods	(585)	-
TAXATION ON NET EXPENDITURE	<u>(585)</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold property £	Long-term leasehold property £	Other fixed assets £	Assets under construction £	Total £
COST OR VALUATION					
At 1 April 2019	22,005,724	1,159,606	512,590	-	23,677,920
Additions	-	-	-	179,573	179,573
At 31 March 2020	22,005,724	1,159,606	512,590	179,573	23,857,493
DEPRECIATION					
At 1 April 2019	6,117,571	1,010,887	431,584	-	7,560,042
Charge for the year	535,657	25,183	27,084	-	587,924
At 31 March 2020	6,653,228	1,036,070	458,668	-	8,147,966
NET BOOK VALUE					
At 31 March 2020	15,352,496	123,536	53,922	179,573	15,709,527
At 31 March 2019	15,888,153	148,719	81,006	-	16,117,878

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
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16. HERITAGE ASSETS

Group and Company

Assets recognised at cost

	Heritage assets
	£
Carrying value at 1 April 2019	1,542,917
Carrying value at 31 March 2020	<u>1,542,917</u>

CHARITY HERITAGE ASSETS

FIVE YEAR FINANCIAL SUMMARY OF HERITAGE ASSET TRANSACTIONS

	2020	2019	2018	2017	2016
	£	£	£	£	£
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.

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

17. FIXED ASSET INVESTMENTS

	2020 Market Value £	2020 Cost £	2019 Market Value £	2019 Cost £
Investment property	2,601,000	388,111	2,601,000	388,111
Listed Investments	77,888,673	81,379,441	91,861,548	80,245,358
Uninvested Cash	<u>4,390,994</u>	<u>4,390,994</u>	<u>1,366,116</u>	<u>1,366,116</u>
Total for Group	84,880,667	86,158,546	95,828,664	81,999,585
Investment in subsidiary undertaking	<u>6,586</u>	<u>6,586</u>	<u>6,586</u>	<u>6,586</u>
TOTAL FOR COMPANY	<u>84,887,253</u>	<u>86,165,132</u>	<u>95,835,250</u>	<u>82,006,171</u>

MOVEMENT ON INVESTMENT PROPERTIES

	2020 £	2019 £
Fair value at beginning of year	2,601,000	2,286,000
Transfers from fixed assets	-	3,499
Net gain/ (loss) on revaluation	<u>-</u>	<u>311,501</u>
Fair value at end of year	<u>2,601,000</u>	<u>2,601,000</u>

MOVEMENT IN LISTED INVESTMENTS

	2020 £	2019 £
Fair value at beginning of year	91,861,548	91,563,786
Additions in year	15,056,221	4,861,955
Disposals in year - sale proceeds	(19,447,693)	(5,862,592)
(Loss)/ gain on disposal	(236,204)	(375,427)
Net (loss)/ gain on revaluation	<u>(9,345,199)</u>	<u>1,673,826</u>
Fair value at end of year	<u>77,888,673</u>	<u>91,861,548</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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

17. FIXED ASSET INVESTMENTS (CONTINUED)

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 2020**

18. STOCKS

	Group 2020 £	Group 2019 £
Finished goods	42,544	61,653

19. DEBTORS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	33,394	125,840	28,599	119,287
Amounts owed by group undertakings	-	-	382,001	337,649
Other debtors and prepayments	132,880	215,395	113,339	215,395
Museum and gallery exhibition tax rebate debtor	115,811	117,469	115,811	117,469
	282,085	458,704	639,750	789,800

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Grants committed	367,090	388,468	367,090	388,468
Trade creditors	276,809	178,285	267,290	170,561
Other taxation and social security	40,636	703	40,636	-
Other creditors	24,105	20,502	23,955	20,502
Accruals and deferred income	91,181	222,489	86,731	213,527
	799,821	810,447	785,702	793,058

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

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
DEFERRED INCOME				
Deferred income at 1 April 2019	66,337	216,575	61,716	206,723
Resources deferred during the year	3,593	66,337	3,593	61,725
Amounts released from previous periods	(66,337)	(216,575)	(61,716)	(206,732)
Deferred income at 31 March 2020	3,593	66,337	3,593	61,716

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Taxation £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 March 2020 £
DESIGNATED FUNDS							
Investment Fund	95,828,664	-	-	-	(1,366,593)	(9,581,404)	84,880,667
Capital Reserve Fund	16,117,878	-	-	-	(408,351)	-	15,709,527
Heritage Asset Fund	1,542,917	-	-	-	-	-	1,542,917
Other Designated Funds	1,006,389	-	(126,760)	-	185,098	-	1,064,727
	<u>114,495,848</u>	<u>-</u>	<u>(126,760)</u>	<u>-</u>	<u>(1,589,846)</u>	<u>(9,581,404)</u>	<u>103,197,838</u>
GENERAL FUNDS							
Charity Reserves	4,484,360	3,680,961	(4,861,763)	-	1,601,525	-	4,905,083
HMF Enterprises Limited	173,349	242,772	(231,093)	585	(11,679)	-	173,934
	<u>4,657,709</u>	<u>3,923,733</u>	<u>(5,092,856)</u>	<u>585</u>	<u>1,589,846</u>	<u>-</u>	<u>5,079,017</u>
TOTAL UNRESTRICTED FUNDS	<u>119,153,557</u>	<u>3,923,733</u>	<u>(5,219,616)</u>	<u>585</u>	<u>-</u>	<u>(9,581,404)</u>	<u>108,276,855</u>

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

	Balance at 1 April 2019 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
RESTRICTED FUNDS							
Yorkshire Sculpture International	581,328	269,166	(753,940)	-	-	-	96,554
TOTAL OF FUNDS	119,734,885	4,192,899	(5,973,556)	585	-	(9,581,404)	108,373,409

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

21. STATEMENT OF FUNDS (CONTINUED)

DESIGNATED FUNDS

Investment fund

The charity's main source of income is from its investments. The designated fund represents investments set aside to protect future income streams. The Trustees allocate annually a percentage of the average value of the investments to provide revenue.

The transfer represents the net movement in investments in the period.

Capital reserve fund

The charity's fixed assets are its core assets used for operational purposes. A separate fund has been established to protect these assets where not represented by other funds. The transfer represents the net movement of additions and depreciation during the year.

Heritage asset fund

The charity's works of art are core to its charitable objectives. A separate fund has been established to protect these assets where not represented by other funds. The transfer represents additions during the year.

Other designated funds

These represent sums set aside for various projects including capital and other expenditure.

The transfer between the charity reserves and HMF Enterprises Limited represents gift aid payable in the year.

RESTRICTED RESERVES

Yorkshire Sculpture International

This represents grants received for a specific project which is being undertaken in association with 2 other organisations. The Henry Moore Foundation administers the funding and expenditure for the whole project.

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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>

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
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>

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	15,709,527	15,709,527
Fixed asset investments	-	84,880,667	84,880,667
Heritage assets	-	1,542,917	1,542,917
Current assets	96,554	6,943,565	7,040,119
Creditors due within one year	-	(799,821)	(799,821)
TOTAL	96,554	108,276,855	108,373,409

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	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	6,474,545	7,055,873
Creditors due within one year	-	(810,447)	(810,447)
TOTAL	581,328	119,153,557	119,734,885

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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

	Group 2020 £	Group 2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(11,361,476)	840,376
ADJUSTMENTS FOR:		
Depreciation charges	587,924	578,159
Dividends, interests and rents from investments	(2,750,028)	(3,040,395)
Losses/(gains) on investments	9,581,404	(1,609,900)
Decrease/(increase) in stocks	19,109	(24,289)
Decrease in debtors	180,202	137,604
Decrease in creditors	(14,209)	(215,618)
NET CASH USED IN OPERATING ACTIVITIES	(3,757,074)	(3,334,063)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2020 £	Group 2019 £
Cash in hand	4,678,566	4,535,516
Notice deposits (less than 3 months)	2,036,924	2,000,000
TOTAL CASH AND CASH EQUIVALENTS	6,715,490	6,535,516

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2019 £	Cash flows £	Other non- cash changes £	At 31 March 2020 £
Cash at bank and in hand	6,535,516	(197,044)	377,018	6,715,490
	6,535,516	(197,044)	377,018	6,715,490

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

26. CAPITAL COMMITMENTS

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of tangible fixed assets	101,813	-	101,813	-

27. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the Foundation to the schemes and amounted to £184,077 (2019 - £167,218).

Contributions totalling £22,663 (2019 - £19,526) were payable to the schemes at the balance sheet date and are included in creditors.

28. 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 £11,679 (2019 - £29,836). In addition, there are a number of recharges totalling £164,393 (2019 - £160,058) 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 £195,446 (2019 - £93,046).

As at 31 March 2020 a debtor of £399,525 (2019 - £337,649) remained outstanding.

29. POST BALANCE SHEET EVENTS

At the year end the trading operations had ceased temporarily as a result of government measures introduced to control the coronavirus. Trading did not resume until the lockdown measures ceased and partial trading recommenced on 4 July 2020. The Henry Moore Institute reopened on 1 September 2020.

As an outdoor attraction, visitor numbers over the summer at the Henry Moore Foundation in Perry Green were encouraging.

The investment values were significantly lower at the year end and the most recent valuation on 30 September 2020 showed they had regained value to £90,009,384.

30. CONTROLLING PARTY

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