

**The Granada Foundation
The Fifty-fifth Annual Report
and Financial Statements
Year ended 31 March 2020**

Registered charity number 241693

The Granada Foundation
The Fifty-fifth Annual Report and Financial Statements
Year ended 31 March 2020

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**The Granada Foundation
The Fifty-fifth Annual Report and Financial Statements
Year ended 31 March 2020**

Reference and administrative information

Charity name and number

The Granada Foundation: registered charity number 241693

Correspondence address

PO Box 3430
Chester CH1 9BZ

Trustees and advisory council

Trustees

Sir Robert Scott (Chairman)
Philip Ramsbottom
Professor Jennifer Latto
Dr Virginia Tandy

Advisory council

Sir Robert Scott (Chairman)
Martin Ainscough (appointed 15th July 2019)
Kathleen Arundale
Dr John Baxter
Jane Davies
Ruth Gould (resigned 18th April 2019)
Christopher Kerr
Professor Jennifer Latto
Lady Manduell (resigned 18th April 2019)
Philip Ramsbottom
Amanda Sutton (appointed 15th July 2019)
Dr Virginia Tandy

Administrator

Irene Langford

Professional advisors

Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
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Solicitors	Addleshaw Goddard LLP 100 Barbirolli Square Manchester M2 3AB
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Reference and administrative information (*continued*)

Investment managers	Rothschild Wealth Management (UK) Limited New Court St Swithin's Lane London EC4N 8AL
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Independent examiner	Geoffrey Horley BSc (Econ) MBA FCA DChA Chittenden Horley Limited 456 Chester Road Manchester M16 9HD
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The Granada Foundation

The Fifty-fifth Annual Report and Financial Statements

Year ended 31 March 2020

Trustees' report

The trustees present their report together with the financial statements of the charity for the year ended 31 March 2020. The financial statements of the charity have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and Charities SORP (FRS102) incorporating Update Bulletin 2. The reference and administrative information on pages 1 and 2 form part of the Trustees' Report.

1 Structure, governance and management

The Granada Foundation ("the Foundation") is an unincorporated trust, constituted under a Deed of Trust dated 8 March 1965 and is a registered charity, number 241693. The Foundation received its original donation from the settlors, Cecil G Bernstein and Sidney L Bernstein in 1965.

The power of appointing new or additional trustees is vested in the trustees and the number of trustees shall not be more than four. Members of the advisory council consisting of not less than two and not more than ten are appointed by the trustees for an initial term of three years and may be reappointed for further terms as appropriate. The trustees are empowered to apply the income and capital of the Foundation in accordance with the charity's objects and the recommendations of the advisory council. The advisory council meets two or three times a year to consider and approve grant applications.

The Foundation has no employees but uses the services of a part-time administrator to process grant applications and manage day-to-day arrangements. One of the trustees is responsible for financial and accounting matters for which he receives an annual fee, details of which are given under Related Party Disclosures in note 2 to the accounts. The trustees are not remunerated for services as trustees. Details of trustee expenses are given in note 5 to the accounts.

There are no formal training procedures in place but trustees keep abreast of developments in the Charity sector by reading the Charity Commission website and relevant technical circulars, and attending seminars dealing with current issues affecting the sector.

Trustees and members of the advisory council are required to declare whether they have an interest in an organisation which is a prospective recipient of an award and in those circumstances do not take part in the discussion of that particular application nor vote in the decision whether to award or not.

2 Objectives and activities for the public benefit

When reviewing the Foundation's aims and objectives and setting the grant-making policy for the year and in planning future activities the trustees have had regard to the Charity Commission's guidance concerning the Charities Act 2011 requirement relating to public benefit requirement. The objectives of the Foundation are as set out below and are geographically restricted to the North West of England and parts of North Wales.

- To encourage and promote the study, practice and appreciation of the fine arts and the methods and means of their dissemination.
- To encourage and promote the study and application of the sciences.
- To promote and advance education.
- To provide or assist in the provision of facilities for recreation or other leisure-time occupation in the interests of social welfare.

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Trustees' report (continued)

2 Objectives and activities for the public benefit (continued)

The Foundation carries out its objectives by awarding grants across a range of institutions usually with charitable status. In general, we look for imaginative proposals from organisations which will in some way make the North West a culturally richer and more attractive place in which to live and work. There is a clear preference for new projects. Although the Foundation supports festivals and other annual events, it is on the understanding that such support is not automatically renewable.

Prospective applicants are requested to complete an online enquiry form via the Foundation's website providing a brief summary of their organisation and an outline of the project for which they are seeking funding. This is then assessed against the Foundation's funding criteria and if appropriate a formal grant application is invited. Grant applications are considered by the advisory council at its regular meetings and are approved or rejected on the basis of their merit.

The advisory council interprets the guidelines in a flexible way, realising that it cannot hope to achieve a true balance across all areas of activity. The council does, however, examine the context of each application and tries to make grants in areas where the benefit will be most widely felt within the community.

3 Achievements and performance

The advisory council held meetings to consider grant applications in April, July and November 2019 and awarded grants in furtherance of the Foundation's aims and objectives as follows:

	2020		2019	
	No	£	No	£
Appreciation of the fine arts	10	34,000	15	33,000
Study and application of the sciences	3	8,000	3	11,000
Promotion of education	6	15,000	8	23,000
Recreation and leisure time occupation	21	45,360	17	32,000
	<u>40</u>	<u>102,360</u>	<u>43</u>	<u>99,000</u>

The moratorium on awarding grants to large scale capital projects has continued for a further year and the emphasis on awarding a higher number of grants of smaller amounts has been maintained. The average grant was £2,500, slightly up on the previous year and no grants over £10,000 were awarded. The understanding and appreciation of science plays an equal part with the arts in enriching life in the North West and we continue in our endeavours to encourage applications from the regional science community as quality applications continue to fall short of our target.

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Trustees' report (continued)

3 Achievements and performance (continued)

During the year we were informed that a major capital project to which we awarded £75,000 in 2017, payable in three instalments, has been put on hold. Following an in-depth review of the plans for the redevelopment of the Oldham Coliseum the project has been deferred while the developers identify alternative proposals for the theatre's future. We have indicated to the theatre's management that we would like to support any revised scheme but would wish to see the proposals before committing ourselves. Pending the outcome of a comprehensive feasibility study and the submission of a revised application, the existing grant has been cancelled and the first instalment of £25,000 has been repaid to the Foundation.

Details of the individual grants awarded during the year are set out below:

	£
20 Stories High	
Buttercup - commission for theatre piece.	1,500
Box of Tricks Theatre Company	
North West tour of The Last Quiz Night on Earth.	1,500
Buxton International Festival	
Creation and production of an opera oratorio Our Future - In Your Hand.	10,000
Clonter Farm Music Trust	
Performance Projects for Schools.	2,000
Cumbria Opera Group	
Inaugural opera festival & outreach programme.	2,000
Dance Consortia North West	
Creation of a new resource The Guide -a North West Directory.	2,000
Drake Music	
North West DMLAB and IWM North - Breaking the Silence Commission.	2,000
Engineering Development Trust	
STEM Experience Days in North West.	4,000
Farm Urban Educational Trust	
Interactive workshops as part of STEAM project.	2,000
Feelgood Theatre	
25th Anniversary outdoor production of Dracula and outreach programme.	2,000
Festival of Making	
Art in Manufacturing and Residencies projects.	5,000
Grizedale Arts	
20th Anniversary exhibition.	1,000
HOME	
The Manchester Open - open arts exhibition 2020.	2,000
Kendal South Choir	
Public choral performance of two jazz works.	1,000
Lakes Alive	
Semi Feral project for 2019 Festival.	2,000
Liverpool Arab Arts Festival (LAAF)	
Young people's participative arts programme for 2020 Festival.	2,000
Liverpool Biennial	
Plant Box Education programme for 2020 Festival.	5,000
Liverpool Everyman & Playhouse	
The Playhouse Studio Commissions.	5,000
Liverpool School of Tropical Medicine	
The Secret Art of Survival project.	2,000
Carried forward	54,000

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Trustees' report (continued)

3 Achievements and performance (continued)

Brought forward	54,000
Macclesfield Barnaby Festival	
Second Sight for 2020 Festival.	2,000
Manchester Collective	
New commission and North West tour	1,500
Manchester Histories	
Performance piece for 2020 Festival.	1,000
Manchester Literature Festival	
Ready Steady Lift Off! Outreach theatre show.	1,360
Manchester Poetry Library	
Creation of a poetry collection.	6,000
MusicLinks Limited	
Jam Junction community project.	1,000
National Holocaust Centre and Museum	
Touring exhibition at Imperial War Museum - North.	1,000
National Youth Theatre	
North West tour of Lost Boys.	3,000
North West Film Archive	
Mancunia poetry films project.	2,000
Northern Ballet	
Little Red Riding Hood children's ballet North West tour.	2,000
Orchestras Live	
Orchestral workshops and performance.	2,000
Paperwork Theatre	
New Play Deep Blue.	2,000
Psappha	
Online films from 2019-2020 concert season.	2,000
Regional Theatre Young Director Scheme	
North West Introduction to Directing Scheme.	1,000
Royal Exchange Theatre	
Local Exchange community engagement programme artists commissions.	2,500
Royal Liverpool Philharmonic	
Continuation and development of In Harmony Liverpool	5,000
Rule of Threes Arts Ltd	
Playing Out arts project.	3,000
Signal Film & Media	
Digital Arts international photography and digital arts festival.	3,000
Streetwise Opera	
Programme of opera and arts activities for homeless in Manchester.	2,000
Wigan Warriors	
Dance for Life project.	2,000
Z-Arts	
The Big Imagination Children's Theatre Festival.	3,000
	102,360

The total of grants awarded by the Foundation since its inception on 8 March 1965 now amounts to £6,000,351.

The Granada Foundation

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Trustees' report (continued)

4 Financial review

The Foundation's grant awarding activity is reliant on returns from its investment portfolio, which is invested on a total return basis with the objective of preserving and growing the value of the capital in real terms.

In the closing months of the financial year the international investment markets were severely affected by the onset of the coronavirus pandemic leading to steep falls in global stock markets not seen since 2008. Up to that point the Foundation's portfolio had been performing strongly with a cumulative return of 9% for the ten months to the end of January 2020. Negative performance in February and March of -3.83% and - 8.45% more than reversed this and the financial year ended with an overall negative return of -3.5% leading to a significant decline in the portfolio's value from the previous year end. The Foundation's portfolio 'return assets' (representing 68% of the portfolio at 31 March 2020) accounted for the negative performance (-8.3%), offset by a positive contribution of 5% from the portfolio's 'diversifying assets', which performed their primary role of mitigating the adverse effect of difficult market conditions.

In the five calendar years ending December 2019, before the pandemic, the Foundation's portfolio had provided a return of 28.9%, a yearly average of 5.8 %.

Investment income at £40,970 increased from £32,956 in 2019. Realised gains of £59,873 (2019 - £71,505) achieved in the earlier part of the year were more than negated by unrealised losses of £173,923 (2019 - gains of £86,775) arising in the last two months of the financial year. Investment management costs of £38,335, broadly in line with 2019, comprise Rothschild's charges calculated on a quarterly basis at 0.95% per annum of the portfolio valuation. In addition, there are foreign exchange charges, brokers' fees and fund fees that are charged to the portfolio but not separately identified.

Support and governance costs continue to be tightly controlled. Total charitable expenditure of £51,951 is significantly down from the previous year's £111,352. While grants awarded of £102,360 were at a similar level to the previous year the overall reduction in charitable expenditure was attributable to the credit of £75,000 arising from the cancellation of a grant referred to above. After taking account of realised and unrealised investment gains the year ended with an overall decrease in unrestricted funds of £170,619.

The Foundation estimated that it needed distributions of £170,000 to service its grant commitments, meeting this requirement from the realisation of certain fixed asset investments and distributions of income from the portfolio.

5 Investment policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees for a period of two years and takes account of recent and expected demand for funds. The trustees consider their cash requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The trustees' policy is to generate sufficient returns to preserve the real value (after inflation) of the Foundation's assets after meeting a normal level of annual grant awards of around £120,000. The trustees have adopted a 'balanced' risk profile for the portfolio given the long-term investment horizon and the nature of the grants the Foundation makes. There are no restrictions on asset classes or investment sectors. Investments are managed on a total return basis. Our investment managers, Rothschild are allowed a large amount of discretion to manage the portfolio within the framework of the above policy. The trustees meet with Rothschild twice a year and monitor their performance on a quarterly basis against agreed benchmarks.

The charity's policy is to maintain funds in the form of cash deposits of approximately £25,000 with its bankers providing sufficient funds to cover grant payments and administration costs over a two-month period. Additional cash resources are available in the form of un-invested cash within the investment portfolio which can be accessed at short notice to fund larger grant awards, if so required.

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Trustees' report (continued)

6 Reserves policy

The charity's funds are all unrestricted in that they are expendable at the discretion of the trustees in the furtherance of the Foundation's objectives and are thus available for the awarding of grants. However, the trustees intend to continue the current policy whereby the accumulated funds are principally held for investment so as to generate returns to provide grants for the foreseeable future, at the same time acknowledging there will be opportunities to apply the funds in payment of major grants if suitable applications are forthcoming. Within the unrestricted funds the trustees maintain sufficient free reserves in cash balances to cover grant payments and administration costs over a two-month period in the event of a sudden downturn in investment performance.

7 Plans for the future

In the wake of the coronavirus pandemic the Foundation has cancelled trustee and advisory panel meetings scheduled for May and July 2020. For the time being the trustees have decided to put their normal programme of grant awards on hold but in acknowledgement of the damaging effect the pandemic is having on arts and creative organisations, have set up a modest hardship fund to help the sector survive these challenging times. The advisory council has identified thirty organisations, generally former recipients and for the most part smaller operations, who will be receiving a small grant by way of contribution to their running costs.

In line with the decision taken by the trustees last year to conserve the Foundation's funds and until the investment market recovers from the global downturn, the moratorium on awarding grants to large scale capital projects will continue, with a relaxation only occurring when the value of the investment portfolio reaches around £3.5 million. As at June 30th 2020, the latest date for which investment values are available, the value of the investment portfolio was £3.21 million, reflecting some recovery in investment values since the year-end.

8 Risk management

The trustees annually review the risks the Foundation faces, which mainly relate to the variability of returns on the Foundation's investment portfolio. Regular meetings are held with the investment manager to review performance against appropriate benchmarks and, with the aim of managing risks, to follow a policy of active and diversified portfolio management with a balanced risk profile. The trustees periodically review the internal controls in place at the charity and are satisfied the procedures in place are appropriate for an entity of this size and character.

9 Independent examination

The trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011) as the gross income did not exceed £500,000 and is unlikely to do so in the foreseeable future. The trustees have again elected to have an independent examination of the accounts rather than an audit and this is carried out by Geoffrey Horley of Chittenden Horley Limited.

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant information of which the independent examiner is unaware; and trustees have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant information and to establish that the Charity's independent examiner is aware of that information.

This report was approved by the trustees and signed on their behalf of the trustees on 15 July 2020.

Sir Robert Scott

Trustee



PO Box 3430

Chester CH1 9BZ

The Granada Foundation
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Statement of trustees' responsibilities in respect of the Trustees' Report and the financial statements

Under the deed of trust and rules of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the net movement of funds for that year.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the deed of trust and rules, subject to any material departures disclosed as explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132 of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

**The Granada Foundation
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Independent Examiner's Report to the Trustees of The Granada Foundation

I report to the trustees on my examination of the accounts of the Granada Foundation (the Trust) for the year ended 31 March 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

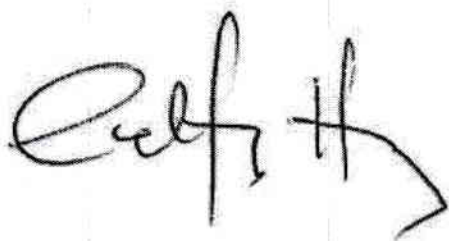
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



GEOFFREY HORLEY BSc (Econ) MBA FCA DChA

Chittenden Horley Limited
Chartered Accountants
456 Chester Road
Old Trafford
Manchester M16 9HD

Date:- January 22 2021

The Granada Foundation
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Statement of Financial Activities
for the Year ended 31 March 2020

		Unrestricted Funds	
	<i>Notes</i>	2020	2019
		£	£
Income			
<i>Investment income</i>			
Investment income	3	40,970	32,956
Total income		40,970	32,956
Expenditure			
<i>Cost of generating funds</i>			
Investment management costs	4	38,335	37,662
<i>Expenditure on charitable activities</i>	5	51,951	111,352
Total expenditure		90,286	149,014
Net expenditure before gains/losses on investments		(49,316)	(116,058)
Net (losses) gains on investments	7	(121,303)	163,194
Net movement in funds		(170,619)	47,136
<i>Reconciliation of funds</i>			
Fund balances brought forward		3,197,184	3,150,048
Fund balances carried forward	8	3,026,565	3,197,184

All funds are unrestricted.

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Balance Sheet as at 31 March 2020

	<i>Notes</i>	2020		2019	
		£	£	£	£
Fixed assets					
Investments	7	2,950,153		3,222,810	
Current assets					
Cash held by investment manager		75,421		91,447	
Cash at bank		41,201		9,337	
Cash float		500		500	
		<u>117,122</u>		<u>101,284</u>	
Creditors: amounts falling due within one year	6	<u>(40,710)</u>		<u>(81,910)</u>	
Net assets		76,412		19,374	
Creditors: grants payable falling due after one year	6	-		(45,000)	
Net assets		<u>3,026,565</u>		<u>3,197,184</u>	
Unrestricted funds					
Donated by settlers	8	330,000		330,000	
Other unrestricted funds	8	2,696,565		2,867,184	
Total charity funds		<u>3,026,565</u>		<u>3,197,184</u>	

These financial statements were approved by the trustees on 15 July 2020 and signed on their behalf by



Sir Robert Scott
Trustee

The Granada Foundation
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Notes

for the year ended 31 March 2020

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the charity's financial statements.

a) Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared in accordance with Charities SORP (FRS102), incorporating Update Bulletin 2, the Charities Act 2011 and applicable regulations. The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. With respect to the next reporting period, 2020-2021 the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

b) Income recognition

Investment income is accounted for in the period in which the charity is entitled to receipt.

c) Expenditure recognition

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.

All expenditure is accounted for on an accruals basis.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable. A provision for a multi-year grant is recognised where settlement is due over more than one year from the date of the award, and where there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment, settlement is probable, and the effect of discounting is material. Provisions for grant awards made earlier are written back if it becomes apparent that, as at the balance sheet date, the grantee is unable or unwilling to comply with material conditions or grant.

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Notes (*continued*)

1 Accounting policies (*continued*)

c) Expenditure recognition (*continued*)

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and generating investment income.

Support costs include the cost of employing the services of a part time administrator and general management costs.

Governance costs comprise those costs relating to the public accountability of the charity and its compliance with regulation and good practice.

d) Financial instruments - fixed asset investments and funds held by investment manager

Apart from fixed asset investments and certain funds held by investment managers (included in current assets) all other balance sheet items are simple financial instruments which are initially recorded at cost and subsequently measured at their settlement value.

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investment transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign investments and currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses incurred in respect of overseas transactions are included in the Statement of Financial Activities.

e) Fund accounting

All funds are unrestricted and can be used in accordance with the charity's objects and the directions of the advisory council.

f) Estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Notes *(continued)*

2 Related party transactions and trustees' expenses and remuneration

The trustees and members of the advisory council all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil). Expenses paid to the trustees in the year totalled £1,190 (2019: £565) representing travel expenses for attending meetings. Philip Ramsbottom, a trustee and member of the advisory council, received fees of £3,100 (2019: £3,100) in respect of accountancy work on the 31 March 2019 accounts and £3,100 (2019: £3,100) is included in creditors for accountancy work on the 31 March 2020 accounts.

3 Investment income

	2020 £	2019 £
Dividend income and interest	40,970	32,956
	<u> </u>	<u> </u>

4 Investment management costs

	2020 £	2019 £
Investment manager's fees	38,335	37,662
	<u> </u>	<u> </u>

5 Charitable activities

The charity undertakes its charitable activities through awarding grants to a number of institutions. A detailed list of the grants awarded is given in the Trustees' Report on pages 5 & 6. 40 grants (2019:43) were awarded for the following purposes:

	2020 £	2019 £
Appreciation of the fine arts: 10 grants (2019:15)	34,000	33,000
Study and application of the sciences: 3 grants (2019:3)	8,000	11,000
Promotion of education: 6 grants (2019:8)	15,000	23,000
Recreation and leisure time occupation: 21 grants (2019:17)	45,360	32,000
	<u> </u>	<u> </u>
Total grants payable	102,360	99,000
Cancellation/reduction of prior years' grants	(76,000)	(14,000)
Support costs	19,541	20,467
Governance costs	6,050	5,885
	<u> </u>	<u> </u>
Total charitable expenditure	51,951	111,352
	<u> </u>	<u> </u>

The Granada Foundation
The Fifty-fifth Annual Report and Financial Statements
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Notes (*continued*)

5 Charitable activities (*continued*)

	2020	2019
	£	£
Support costs comprise:		
Part time freelance administrator	17,600	17,400
Other support costs	1,941	3,067
	<u>19,541</u>	<u>20,467</u>
	<u><u>19,541</u></u>	<u><u>20,467</u></u>
	2020	2019
	£	£
Governance costs comprise:		
Trustees' travel expenses	1,191	565
Fee for independent examination	800	800
Accountancy *	3,100	3,100
Meeting costs	959	1,420
	<u>6,050</u>	<u>5,885</u>
	<u><u>6,050</u></u>	<u><u>5,885</u></u>

The trustees are not remunerated for services as trustees.

6 Creditors

	2020	2019
	£	£
Amounts falling due within one year		
Grants payable	36,000	78,000
Other creditors	4,710	3,910
	<u>40,710</u>	<u>81,910</u>
	<u><u>40,710</u></u>	<u><u>81,910</u></u>
Amounts falling due after one year		
Grants payable	-	45,000
	<u>-</u>	<u>45,000</u>
	<u><u>-</u></u>	<u><u>45,000</u></u>

7 Investments and net gains and losses

	2020		2019	
	£	£	£	£
Balance sheet summary at market value				
Total portfolio		3,025,574		3,314,257
Less: Money market accounts shown as current assets		(75,421)		(91,447)
		<u>2,950,153</u>		<u>3,222,810</u>
		<u><u>2,950,153</u></u>		<u><u>3,222,810</u></u>

The Granada Foundation
The Fifty-fifth Annual Report and Financial Statements
Year ended 31 March 2020

Notes (*continued*)

7 Investments and net gains and losses (continued)

	2020		2019	
	£	£	£	£
<i>Summary analysis of portfolio</i>				
Fixed income securities	492,053		677,975	
Equities	2,061,420		2,182,440	
Other investments	396,680		362,395	
	<hr/>	2,950,153	<hr/>	3,222,810
		<hr/>		<hr/>
<i>Analysis of SoFA (loss)/gain</i>				
Realised gain on disposals	59,873		71,505	
Unrealised (loss)/gain on portfolio at end of year	(173,923)		86,775	
(Loss)/gain on foreign exchange	(7,253)		4,914	
	<hr/>	(121,303)	<hr/>	163,194
		<hr/>		<hr/>

8 Unrestricted funds

	Donated by settlers	Other unrestricted funds	Total
	£	£	£
Balance at 1 April 2019	330,000	2,867,184	3,197,184
Decrease in unrealised gains	-	(173,923)	(173,923)
Net increase in funds for the year	-	3,304	3,304
	<hr/>	<hr/>	<hr/>
At 31 March 2020	330,000	2,696,565	3,026,565
	<hr/>	<hr/>	<hr/>

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

The amounts donated by settlers constitute unrestricted funds, which comprise the original donation on commencement of the charity. These funds were used to acquire the investments that have subsequently funded the charity's activities.