

**Registered Charity No. 1134994 (England and Wales)**

**The Ruddock Foundation for the Arts**

**Trustees' report and financial statements  
for the year ended 5 April 2021**

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## The Ruddock Foundation for the Arts

### Legal and administrative information

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#### Trustees

Sir Paul Ruddock  
Lady Jill Shaw-Ruddock  
Michael Fullerlove  
Sophie Ruddock  
Isabella Ruddock

#### Bankers

Barclays Wealth  
1 Churchill Place  
London  
E14 5HP

#### Solicitors

Wiggin Osborne Fullerlove  
95 The Promenade  
Cheltenham  
Gloucestershire  
GL50 1HH

#### Independent auditors

Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

#### Registered address

10 Colville Mews  
London  
W11 2DA

#### Charity number

1134994

## **The Ruddock Foundation for the Arts**

### **Report of the trustees For the year ended 5 April 2021**

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The trustees are pleased to present their annual report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charities Act 2011 and the second edition of the 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).

The Trust was established by a Trust Deed dated 12 January 2010 and registered with the Charity Commission in England and Wales on 10 March 2010.

#### **Objects of the Foundation**

The objects of the Foundation are:

- a. To advance, promote and educate for the benefit of the public generally all branches of the arts with particular, but not exclusive reference to the performing, literary and decorative arts.
- b. To advance the preservation, protection and improvement of pictures, historic records, books, manuscripts, monuments, armour, porcelain, silver and gold objets d'art and other chattels or items of artistic, historic, or national interest.
- c. To establish and maintain a museum and/or art gallery for the display and promotion of the arts with particular, but not exclusive, reference to the decorative and medieval arts for the benefit of the public.
- d. Notwithstanding the above, to support or carry out such other objects or purposes as are exclusively charitable in accordance with the laws of England and Wales.

#### **Organisation**

Trustees meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The power to appoint new trustees is vested in the existing trustees of the Foundation. There is an informal interview and induction process for any new trustee. Continuing training for trustees is undertaken through regular meetings and discussions with individuals and organisations in the areas supported by the Foundation.

#### **Achievements, performance and future plans**

The Charity made grants of £632,865. The focus remains on supporting research, conservation and display in museums as well as supporting the work of non-commercial theatres. The vast majority of the grants are to institutions or charities that are world leaders in their respective fields.

During the year the major grants were as follows:

Metropolitan Museum, New York: \$335,000 (£260,000): funds were for curatorial support, renovation of the Heroes Tapestry at the Cloisters, and for the Emergency COVID appeal;

British Museum: £85,000. £65,000 was towards support of the 'Thomas Becket: murder and the making of a saint' exhibition and £20,000 to fund a pilot schools' bursary programme;

## **The Ruddock Foundation for the Arts**

### **Report of the trustees For the year ended 5 April 2021**

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#### **Achievements, performance and future plans**

**(continued)**

Courtauld Institute: £50,000 for teaching support;

Ashmolean Museum, Oxford: £30,000 to support funding for the Museum's University Teaching programme;

Getty Foundation: \$50,000 (£40,000) for curatorial support;

Afrikids: £25,000: general support;

Victoria and Albert Museum: £25,000 to support the 'Epic Iran' exhibition.

The Foundation is very well capitalised and there are no significant risks that are foreseen.

#### **Grant making policy**

Is to focus on three main areas:

- a. Institutions which look after and conserve paintings and works of art
- b. Research projects with a focus on medieval art
- c. Theatre and playwriting

The trustees confirm that they are aware of the Charity Commission's guidance on public benefit and will consider this when agreeing future grants.

#### **Reserves policy**

At 5 April 2021, the reserves of the Foundation comprised an unrestricted income fund and an expendable endowment fund. Donations from the Founder are treated as capital and are invested in line with the policy below. As at 5 April 2021, the expendable endowment fund contained £26,643,780 (2020: £18,454,296).

Trustees do not consider it necessary to maintain substantial reserves in the Income Fund. Accordingly, such reserves are reviewed annually and will not normally exceed the annual amount of net resources expended.

At 5 April 2021 free reserves, being the unrestricted income fund, were £Nil (2020: £Nil). The trustees are satisfied with the level of free reserves held.

#### **Investment policy**

There are no restrictions on the Foundation's powers to invest. The policy of the trustees is to seek to maximise total return, whilst maintaining the real value of the portfolio and not subjecting it to undue risk. Trustees review investment performance at each meeting, and their policy at least annually.

The investment policy is to aim for returns targeting a long term return of LIBOR+3-5%. The Foundation's assets are allocated to a range of managers investing in global equities, private equity and real estate.

#### **Financial review**

##### *Income*

Total income for the year amounted to £1,575,122 (2020: £899,507).

## **The Ruddock Foundation for the Arts**

### **Report of the trustees For the year ended 5 April 2021**

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Investment income earned this period was £215,313 (2020: £131,270). The Foundation manages its investments on a total return basis so that investment income is simply one component of the total investment return.

The Trustees are aware of their responsibilities under the Charities (Protection and Social Investment) Act 2016 and confirm that the Foundation does not carry out any fundraising activities.

#### *Grants and Donations*

The Foundation made grants totalling £632,865 during the year (2020: £798,329).

#### *Investment Performance*

During the year the Foundation allocated funds to several external asset managers including Marylebone Partners, Theleme Fund Managers, and Bridges, all of whom seek to deliver good absolute returns.

#### **Risk management**

The trustees are responsible for establishing and monitoring internal control systems within the Foundation. The major risks which may impact its activities have been reviewed during the period and the trustees are satisfied that the system of internal controls currently in place is adequate, whilst recognising that they are designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Foundation.

The Foundation is very well capitalised and there are no significant risks that are foreseen.

#### **Impact of Covid-19 on the Foundation**

In March 2020 the World Health Organisation declared the Covid-19 virus to be a global pandemic. This has impacted the operations of almost every organisation globally. At 5 April 2020 the Foundation's investments were adversely affected by a severe downturn in global markets. However, the Foundation invests for the long term and has seen a recovery in the value in the 2021 financial year.

The Foundation is aware of the impact on its beneficiaries, where museums had to close their doors and welfare charities are facing increasing demands on their resources. The Trustees continued their grant making programme in the 2020/21 financial year and beyond, providing valuable funds to many charitable organisations.

#### **Key management personnel remuneration**

The trustees consider the board of trustees as comprising the key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses are disclosed in note 4 to the accounts, and the trustees confirm there were no related party transactions, other than disclosed in note 2.

#### **Statement of trustees' responsibilities**

The trustees 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).

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

**Report of the trustees  
For the year ended 5 April 2021**

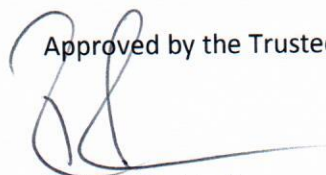
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resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material - departures disclosed and explained in the financial statements;
- 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 responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 25 October 2021 and signed on its behalf by:



Sir Paul Ruddock  
**Trustee**

**Independent auditors' report to the trustees  
For the year ended 5 April 2021**

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**Opinion**

We have audited the financial statements of The Ruddock Foundation for the Arts for the year ended 5 April 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charity's affairs as at 5 April 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**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 auditor's 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.



**Independent auditors' report to the trustees  
For the year ended 5 April 2021**

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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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

**Independent auditors' report to the trustees  
For the year ended 5 April 2021**

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Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with trustees and those responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Independent auditors' report to the trustees  
For the year ended 5 April 2021**

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**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Saffery Champness LLP*

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Saffery Champness LLP

Chartered Accountants	71 Queen Victoria Street
Statutory Auditors	London
	EC4V 4BE

Date: 27 October 2021

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

The Ruddock Foundation for the Arts

Statement of financial activities  
For the year ended 5 April 2021

	Notes	Unrestricted income funds £	Expendable endowment funds £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>					
Donations	2	-	1,359,809	1,359,809	768,236
Investments	3	215,313	-	215,313	131,270
<b>Total income</b>		<u>215,313</u>	<u>1,359,809</u>	<u>1,575,122</u>	<u>899,506</u>
<b>Expenditure on:</b>					
Raising funds	4	-	1,364	1,364	11,431
Charitable activities					
- Grants	5	632,865	-	632,865	798,329
- Grant related support costs	4	9,924	-	9,924	8,620
<b>Total expenditure</b>		<u>642,789</u>	<u>1,364</u>	<u>644,153</u>	<u>818,380</u>
Gain/(loss) on investments		<u>-</u>	<u>7,369,624</u>	<u>7,369,624</u>	<u>(2,573,938)</u>
<b>Net income /(expenditure)</b>		<u>(427,476)</u>	<u>8,728,069</u>	<u>8,300,593</u>	<u>(2,492,812)</u>
<b>Transfers between funds</b>					
		538,810	(538,810)	-	-
Other (losses) / gains		<u>(111,334)</u>	<u>-</u>	<u>(111,334)</u>	<u>50,603</u>
<b>Net movement in funds</b>		<u>-</u>	<u>8,189,259</u>	<u>8,189,259</u>	<u>(2,442,209)</u>
Balances brought forward at 6 April 2020		<u>-</u>	<u>18,454,293</u>	<u>18,454,293</u>	<u>20,896,504</u>
<b>Balances carried forward at 5 April 2021</b>	<b>10</b>	<u>-</u>	<u>26,643,552</u>	<u>26,643,552</u>	<u>18,454,295</u>

The Statement of Financial Activities includes all gains and losses recognised in the period.

All income and expenditure derives from continuing activities.

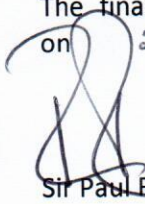
The notes on pages 13 to 20 form part of these financial statements.

# The Ruddock Foundation for the Arts

## Balance sheet As at 5 April 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Investments	6	22,175,571	14,796,422
Programme related investments	7	10,000	10,000
		<u>22,185,571</u>	<u>14,806,422</u>
<b>Current assets</b>			
Debtors	8	272,500	-
Cash at bank		4,257,603	3,689,421
		<u>4,530,103</u>	<u>3,689,421</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(72,122)	(41,547)
<b>Net current assets</b>		<u>4,457,981</u>	<u>3,647,874</u>
<b>Total assets less current liabilities</b>		<u>26,643,552</u>	<u>18,454,295</u>
<b>Net assets</b>		<u>26,643,552</u>	<u>18,454,295</u>
<b>Funds</b>			
Unrestricted income fund	10	-	-
Expendable endowment fund	10	16,829,698	15,979,443
Revaluation reserve	10	9,813,854	2,474,852
		<u>26,643,552</u>	<u>18,454,295</u>

The financial statements were approved by the Trustees of The Ruddock Foundation for the Arts on 25 October 2021 and signed on its behalf by:

  
Sir Paul Ruddock,  
Trustee

The notes on pages 13 to 20 form part of these financial statements.

The Ruddock Foundation for the Arts

Statement of cash flows  
For the year ended 5 April 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<b><i>Net cash provided by/(used in) operating activities</i></b>	<b>12</b>	(725,182)	(842,945)
<b>Cash flows from investing activities:</b>			
Dividends, interests and rents from investments		674	131,270
Proceeds from sale of investments		587,086	198,548
Distribution from private equity		189,238	147,849
Concessionary loan made in year		-	(10,000)
Purchase of investments		(570,943)	(111,667)
<b><i>Net cash provided by investing activities</i></b>		206,055	356,000
<b>Cash flows from financing activities:</b>			
Cash endowment receipt		1,087,309	768,236
<b><i>Net cash provided by financing activities</i></b>		1,087,309	768,236
<b><i>Change in cash and cash equivalents in the year</i></b>		568,182	281,291
<b>Cash and cash equivalents at 6 April 2020</b>		3,689,421	3,408,130
<b><i>Cash and cash equivalents at 5 April 2021</i></b>	<b>13</b>	4,257,603	3,689,421

The notes on pages 13 to 20 form part of these financial statements.

**Notes to the financial statements**  
**For the year ended 5 April 2021**

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**1. Accounting policies**

**1.1 Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102. The functional currency for these financial statements is £.

**1.2 Going concern**

The trustees have considered the financial position of the Foundation and consider it a going concern. The accounts have been prepared on this basis.

**1.3 Income**

Investment income is stated on an accruals basis. Donations are accounted for in the period in which the Foundation is entitled to receipt and include any associated gift aid. Gifts in kind are recognised on receipt at the value the Foundation would have paid for the goods or services on the open market.

**1.4 Expenditure**

Expenditure is included on an accruals basis.

Costs of raising funds comprise those costs directly attributable to managing the investments or endowment fund assets.

Grants awarded and donations payable are charged in full against income when the offer is conveyed to the beneficiary, except in those cases where the offer is conditional and therefore recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as an expense.

**1.5 Support and governance costs**

Support and governance costs are allocated to the charitable activity as incurred.

**1.6 Governance costs**

Governance costs comprise all costs involving the public accountability of the Foundation and cost related with statutory requirements.

**1.7 Funds**

Unrestricted funds - The Income Fund represents the balance of income from all sources after deduction of donations and other necessary expenditure.

The Expendable Endowment Fund represents all the donations of the Founder and can be invested to provide an income from which to make future payments or spent at the trustees' discretion.

**Notes to the financial statements (continued)**  
**For the year ended 5 April 2021**

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**1.8 Taxation**

The Trust is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

**1.9 Investments**

Quoted investments

Investments are stated at mid-market value at the balance sheet date. Realised and unrealised gains and losses on investments are accounted for in the Statement of Financial Activities.

Unquoted investments

Unquoted investments are valued at the trustees' best estimate of fair value. The principal unquoted valuations are calculated as follows:

Property fund investments held through funds are managed by private equity and property groups. No readily identifiable market price is available for these unquoted investments. These funds are included at the most recent valuations from the respective investment manager. In a limited number of cases where information is not available at 5 April, the most recent valuations from the managers are adjusted for cash flows and any foreign exchange movement between the most recent valuation and the balance sheet date.

Derivative financial instruments are used for the Foundation's risk management as part of the investment portfolio management and investment return strategy. The Foundation's use of derivative financial instruments includes currency forwards. The fair value of contract positions is recognised in the balance sheet and gains/losses on the contracts are recognised in the SOFA.

**1.10 Programme related investments**

Programme-related investments are initially recognised and measured at the amount paid to the beneficiary. Programme related investments relate to a concessionary loan made to further the charitable objects of the Foundation. The carrying amount is adjusted in subsequent years to reflect repayments and accrued interest and if necessary to adjust for any impairment. Any impairment is treated as a cost of charitable activities.

**1.11 Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Assets or liabilities in foreign currencies at the balance sheet date are translated into Sterling at that date. All exchange differences are recorded in the Statement of Financial Activities.

**1.12 Financial instruments**

The Foundation has financial assets and financial liabilities of a kind that qualify as basic and non basic. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Derivative financial instruments held by the Foundation are not basic financial instruments and are accounted for in accordance with the policy in 1.9.



**Notes to the financial statements (continued)**  
**For the year ended 5 April 2021**

**1.13 Key estimates and judgements**

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

**2. Donations and gifts**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	1,359,809	768,236
	<u>1,359,809</u>	<u>768,236</u>

Donations include cash of £1,087,329 donated by a trustee (2020: £768,236 in cash, from trusts in which trustees are the settlor).

**3. Investment income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Dividend income	214,639	116,910
Interest	674	14,360
	<u>215,313</u>	<u>131,270</u>

**4. Allocation of overhead costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Raising funds</b>		
Bank charges	-	4,270
Investment management fees	1,364	7,161
	<u>1,364</u>	<u>11,431</u>

**Grant related support costs**

Audit fees	3,960	3,852
Accountancy and tax advice	4,188	4,068
Accountancy under-accrual from previous year	1,848	700
Sundry costs	156	-
	<u>9,924</u>	<u>8,620</u>

The Foundation has no employees (2020: none).

**Notes to the financial statements (continued)**  
**For the year ended 5 April 2021**

During the period no payments were made to any Trustee for their services nor were any expenses reimbursed to them (2020: none).

**5. Analysis of grants payable**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
The Foundation made grants across the following areas of focus:		
Research and curatorial support	374,152	304,952
Museum acquisitions	3,904	20,000
Museum and gallery projects	92,805	101,071
Cultural exhibitions	90,000	172,105
Other areas	72,004	200,201
<b>Total grants committed in the year</b>	<b>632,865</b>	<b>798,329</b>

The grants payable noted above does not include any donations made to individuals (2020: £3,000 was paid to an individual), all other grants have been made to institutions.

For more detailed information about recipients of significant grants during the year please refer to the trustees' report.

**6. Investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Market value at 6 April 2020	14,796,422	17,697,952
Additions at cost	1,186,018	111,666
Disposals at market value brought forward or cost	(988,364)	(196,053)
Distribution from private equity	(189,238)	(147,848)
Unrealised gains/ (losses) on revaluation at 5 April	7,382,856	(2,573,938)
(Decrease)/ Increase in cash held by investment manager	(12,123)	(95,357)
<b>Market value at 5 April 2021</b>	<b>22,175,571</b>	<b>14,796,422</b>
Historical cost at 5 April 2021	12,361,717	12,321,570

The investment portfolio includes material holdings in Theleme Fund Limited of £5,646,667 (2020: £2,367,385), Lansdowne Developed Markets of £4,852,199 (2020: £3,302,841), Bridges Property Alternatives of £1,585,885 (2020: £950,473) and the Marylebone Lane Fund of £10,090,818 (2020: £8,175,722). No other individual holdings are considered material in the context of the market value of the portfolio.

Notes to the financial statements (continued)  
For the year ended 5 April 2021

Investments at market value:

	2021 £	2020 £
UK other investments	6,438,085	4,253,313
Overseas other investments	15,737,486	10,543,109
Cash	-	-
<b>Total investments at market value</b>	<b>22,175,571</b>	<b>14,796,422</b>

At the year end the Foundation had a commitment of £601,943 for further funding of the Bridges Property Alternatives investment funds (2020: £929,515).

7. Programme related investments

	2021 £	2020 £
Concessionary loans	10,000	10,000
<b>Total investments at fair value</b>	<b>10,000</b>	<b>10,000</b>

During 2020 the Foundation made a loan of £10,000 to the National Funding Scheme. The interest rate of 0% is below the prevailing market rate, it therefore meets the definition of a concessionary loan.

8. Debtors

	2021 £	2020 £
Gift aid receivable	272,500	-
	<b>272,500</b>	<b>-</b>

9. Creditors - amounts falling due within one year

	2021 £	2020 £
Grants payable	63,974	35,247
Accruals	8,148	6,300
	<b>72,122</b>	<b>41,547</b>

Notes to the financial statements (continued)  
For the year ended 5 April 2021

10. Analysis of net assets between funds

	Unrestricted income fund £	Expendable endowment fund £	Total at 5 April 2021 £
Investments	10,000	22,175,571	22,185,571
Current assets	62,122	4,467,981	4,530,103
Current liabilities	(72,122)	-	(72,122)
Net assets	-	26,643,552	26,643,552

Expendable endowment fund includes the revaluation reserve of £9,813,854.

	Unrestricted income fund £	Expendable endowment fund £	Total at 5 April 2020 £
Investments	10,000	14,796,422	14,806,422
Current assets	31,548	3,657,873	3,689,421
Current liabilities	(41,548)	-	(41,548)
Net assets	-	18,454,295	18,454,295

Expendable endowment fund includes the revaluation reserve of £2,474,852.

11. Related party transactions

During the year a donation of £1,087,329 was received from a trustee (2020: a donation of £768,236 was received from a trust of which Sir Paul Ruddock is the settlor).

There were no other related party transactions during the year (2020: none).

Notes to the financial statements (continued)  
For the year ended 5 April 2021

12. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
<b>Net income/(expenditure) for the year</b>	8,189,259	(2,442,209)
<b>Adjustments for:</b>		
(Gains)/losses on investments	(7,381,747)	2,573,938
Realised foreign exchange gain	11,855	(2,495)
Dividends, interest and rents from investments	(215,313)	(131,270)
(Increase)/decrease in debtors	(272,500)	-
Increase/(decrease) in creditors	30,573	(72,674)
Endowments received	(1,087,309)	(768,236)
<b>Net cash (used in)/provided by operating activities</b>	<b>(725,182)</b>	<b>(842,945)</b>

13. Analysis of cash and cash equivalents

	At 6 April 2020 £	Net cash movement £	At 5 April 2021 £
Cash in hand	3,689,421	568,182	4,257,603
Cash held by investment manager	-	-	-
<b>Total cash and cash equivalents</b>	<b>3,689,421</b>	<b>568,182</b>	<b>4,257,603</b>

Notes to the financial statements (continued)  
For the year ended 5 April 2021

14. 2020 SOFA comparatives

	Unrestricted Funds £	Endowment Funds £	2020 Total £
<b>Income and endowments from:</b>			
Donations	-	768,236	768,236
Investments	131,270	-	131,270
<b>Total income</b>	<b>131,270</b>	<b>768,236</b>	<b>899,506</b>
<b>Expenditure on:</b>			
Charitable activities			
- Grants	798,329	-	798,329
- Grant related support costs	8,620	-	8,620
Raising funds	-	11,431	11,431
<b>Total expenditure</b>	<b>806,949</b>	<b>11,431</b>	<b>818,380</b>
Gain/(Loss) on investments	-	(2,573,938)	(2,573,938)
<b>Net income/ (expenditure) before transfers</b>	<b>(675,679)</b>	<b>(1,817,133)</b>	<b>(2,492,812)</b>
<b>Transfers between funds</b>	<b>675,679</b>	<b>(676,679)</b>	<b>-</b>
Other gains/(losses)	-	50,603	50,603
<b>Net movement in funds</b>	<b>-</b>	<b>(2,442,209)</b>	<b>(2,422,209)</b>
Balances brought forward at 6 April 2019	-	20,896,504	20,896,504
<b>Balances carried forward at 5 April 2020</b>	<b>-</b>	<b>18,454,295</b>	<b>18,454,295</b>