

THE CAPRICORN FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2021

THE CAPRICORN FOUNDATION

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THE CAPRICORN FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 5 APRIL 2021

Trustees

Lord Kakkar
Philip Perry
Diana Rawstron

Charity registered number

1135174

Principal office

10 St Bride Street
London
EC4A 4AD

Independent auditors

Simmons Gainsford LLP
Chartered Accountants
14th Floor
33 Cavendish Square
London
W1G 0PW

THE CAPRICORN FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their annual report together with the audited financial statements of the charity for the 6 April 2020 to 5 April 2021.

Objectives and activities

a. Policies and objectives

The Capricorn Foundation was set up by the late Mr Harry Hyams in 2010 as a charitable trust with general charitable purposes as a vehicle for his private charitable giving. Mr Hyams died on 19 December 2015 and left the residue of his estate to the charity. The residue included Mr Hyams' Ramsbury Manor estate and his collections of art, ceramics, furniture, silver, clocks and other objects d'art and cars housed there.

It was Mr Hyams wish that the Ramsbury Manor estate and the collections should be conserved and made available for public enjoyment and education. In the Trustees' opinion, The Capricorn Foundation as an unincorporated charity, is not a suitable vehicle for running an operational heritage charity with public access. They have therefore set up an incorporated charity named The Ramsbury Manor Foundation (charity registration number 10874451) for this purpose. Originally, the executors of the H J Hyams estate transferred the Ramsbury Manor Estate to The Capricorn Foundation and the Trustees then transferred the Ramsbury Manor Estate to The Ramsbury Manor Foundation. An agreement has been put in place under which The Capricorn Foundation will fund the agreed annual running costs and capital expenditure of The Ramsbury Manor Foundation.

Achievements and performance

a. Review of activities

The Trustees have, with appropriate advice, conducted a process to select investment managers for the cash distribution. They have appointed four firms, Ruffer LLP, Rowan Dartington & Co Limited, Newton Investment Management Limited and Fowler Drew Limited, and agreed their respective investment policies.

The Trustees have entered into long term loan arrangements with the National Gallery for the painting Dutch Boats in a Gale ('The Bridgewater Sea Piece') by J M W Turner and with Tate for the painting 'Flowing to the River' by J E Millais.

The Trustees have agreed a grant making policy. Their priority is to fund the running costs and capital projects of The Ramsbury Manor Foundation. Insofar as there is any surplus income, they wish to fund local charities in Ramsbury and within a twenty mile radius of Ramsbury Manor and other charitable purposes which reflect the interests of the late Mr Hyams. In pursuance of this policy they have entered into an agreement with The National Gallery to sponsor the H J Hyams Exhibition Programme which will support the Room 1 exhibitions for three years. The first exhibition of Jan Matejko's Copernicus (Conversations with God) opened in May 2021.

The Trustees have had regard to the guidance issued by the Charity Commission on public benefit and are satisfied they have complied with the duty in the Charities Act 2011 section 17(5).

THE CAPRICORN FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

Achievements and performance (continued)

b. Investment policy and performance

The Trustees' investment policy is to hold a medium risk portfolio with the aim to achieve capital growth in all four investment portfolios and an income return from Rowan Dartington and Newton to meet the running costs of the Ramsbury Manor.

The Trustees review performance annually with their investment managers.

They are satisfied with the performance in 2020-21 which has produced income to fund The Ramsbury Manor Foundation and with the increase in the valuation.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Trustees acknowledge the presence of the Coronavirus pandemic but are of the opinion that it will not have a significant impact on the Charities' ability to operate. For this reason, they continue to adopt the going concern basis in preparing the financial statements. There are no material uncertainties regarding going concern.

b. Reserves policy

The Trustees have designated the original capital receipts given to the charity as a Capital Investment Fund to generate income which will be distributed to The Ramsbury Manor Foundation and other charities.

c. Principal risks and uncertainties

The principal risk of the charity is poor performance of the investment portfolios, giving rise to a loss of investment income. In order to mitigate this risk, the Trustees review the performance of the investment portfolios at every meeting.

The Trustees have assessed this and other risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to any major risks.

d. Financial review

The total unrestricted funds held at 5 April 2021 were £234,479k (2020: £207,361k) which comprises of general funds of £40,061k (2020: £43,148k) and designated funds of £194,418k (2020: £164,231k).

Structure, governance and management

a. Constitution

The Capricorn Foundation is a registered charity, number 1135174, and is constituted under a Trust deed.

THE CAPRICORN FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Related party relationships

The Trustees are also Trustees of The Ramsbury Manor Foundation.

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 & 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

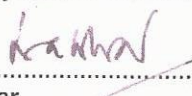
Auditors

The auditors, Simmons Gainsford LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

THE CAPRICORN FOUNDATION

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2021

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


.....
Lord Kakkar

Date: 29 November 2021

THE CAPRICORN FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CAPRICORN FOUNDATION

Opinion

We have audited the financial statements of The Capricorn Foundation (the 'charity') for the year ended 5 April 2021 which comprise the Statement of financial activities, the Balance sheet, the 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

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

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 Auditors' 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 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

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.

THE CAPRICORN FOUNDATION

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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, the Trustees are responsible for the preparation of the financial statements which 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.

THE CAPRICORN FOUNDATION

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In order to identify and assess the risks of material misstatements, including fraud and non-compliance with laws and regulations that could be expected to have a material impact on the financial statements, we have considered:

- the results of our enquiries of management and those charged with governance of their assessment of the risks of fraud and irregularities;
- the nature of the charity including its management structure and control systems (including the opportunity for management to override such controls);
- management's incentives and opportunities for fraudulent manipulation of the financial statements and;
- the environment in which it operates.

We also considered the preparation and presentation of the financial statements in accordance with the Charities Act 2011.

Based on this understanding we identified the following matters as being of significance to the entity:

- laws and regulations considered to have a direct effect on the financial statements including UK financial reporting standards and Charity Law;
- management bias in selecting accounting policies and determining estimates;
- the timing of the recognition of investment income;
- the timing of the recognition of donations and legacies;
- the split of income and expenditure between funds;
- compliance with terms of grants and legacies received;
- the valuation of heritage and tangible fixed assets;
- valuation of fixed asset investments and reliance on the controls of the third party investment managers.

THE CAPRICORN FOUNDATION

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

We communicated the outcomes of these discussions and enquiries, as well as consideration as to where and how fraud may occur in the entity, to all engagement team members.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation or claims;
- discussion with the same regarding any known or suspected instances of non-compliance with laws and regulation and fraud;
- inspection of relevant legal correspondence;
- assessment of matters reported to management and the result of the subsequent investigation;
- obtaining an understanding of the relevant controls;
- review of donations made for compliance with controls;
- reviewing terms of grants and legacies received in the year;
- challenging assumptions made by management in their specific accounting policies and estimates, in particular in relation to the impairment of investments and heritage assets;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or crediting revenue or cash;
- review of bank statements and funds movement to ensure income and expenditure is being allocated correctly;
- reviewing the financial statements for compliance with the relevant disclosure requirements;
- performing analytical procedures to identify any unusual or unexpected relationships or unexpected movements in account balances which may be indicative of fraud;
- reviewing the minutes of trustees meetings;
- considered the implementation of controls during the year.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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.

THE CAPRICORN FOUNDATION

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

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 charity's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Simmons Gainsford LLP
Chartered Accountants
Statutory Auditors
14th Floor
33 Cavendish Square
London
W1G 0PW

29 November 2021

Simmons Gainsford LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CAPRICORN FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	Note	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income from:				
Charitable activities	2	560	560	-
Investments	3	2,808	2,808	3,314
Other income	4	52	52	15
		<u>3,420</u>	<u>3,420</u>	<u>3,329</u>
Total income				
Expenditure on:				
Raising funds	5	796	796	744
Charitable activities	6	5,774	5,774	186,352
		<u>6,570</u>	<u>6,570</u>	<u>187,096</u>
Total expenditure				
Net expenditure before net gains/(losses) on investments		(3,150)	(3,150)	(183,767)
Net gains/(losses) on investments		30,127	30,127	(14,316)
		<u>26,977</u>	<u>26,977</u>	<u>(198,083)</u>
Net movement in funds before other recognised gains				
Other recognised gains:				
Foreign exchange gains/(losses)		141	141	30
		<u>27,118</u>	<u>27,118</u>	<u>(198,053)</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		207,361	207,361	405,414
Net movement in funds		27,118	27,118	(198,053)
		<u>234,479</u>	<u>234,479</u>	<u>207,361</u>
Total funds carried forward				

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 26 form part of these financial statements.

THE CAPRICORN FOUNDATION

BALANCE SHEET
AS AT 5 APRIL 2021

	Note	2021 £000	2020 £000
Fixed assets			
Tangible assets	9	1,453	1,453
Heritage assets	10	47,000	47,000
Investments	11	147,200	115,568
		<u>195,653</u>	<u>164,021</u>
Current assets			
Debtors	12	4,989	4,856
Investments	13	-	45
Cash at bank and in hand		34,108	38,684
		<u>39,097</u>	<u>43,585</u>
Creditors: amounts falling due within one year	14	(271)	(245)
Net current assets		<u>38,826</u>	<u>43,340</u>
Total net assets		<u><u>234,479</u></u>	<u><u>207,361</u></u>
Charity funds			
Unrestricted funds	16	234,479	207,361
Total funds		<u><u>234,479</u></u>	<u><u>207,361</u></u>

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

.....
Lord Kakkar, Trustee

Date: 29 November 2021

The notes on pages 14 to 26 form part of these financial statements.

THE CAPRICORN FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 5 APRIL 2021

	Note	2021 £000	2020 £000
Cash flows from operating activities			
Net cash used in operating activities	18	(6,065)	35,202
Cash flows from investing activities			
Investment income		2,808	3,314
Purchase of tangible fixed assets		-	(103)
Proceeds from sale of investments		21,161	29,709
Purchase of investments		(22,633)	(57,185)
Gain on currency transactions		153	30
Net cash provided by/(used in) investing activities		1,489	(24,235)
Change in cash and cash equivalents in the year		(4,576)	10,967
Cash and cash equivalents at the beginning of the year		38,684	27,717
Cash and cash equivalents at the end of the year	19	34,108	38,684

The notes on pages 14 to 26 form part of these financial statements

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Capricorn 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.

1.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

1. Accounting policies (continued)

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

1.5 Tangible fixed assets

The charity has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Gains and losses on revaluation are recognised in the Statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

1.6 Heritage assets

Heritage assets held by the charity are works of art with indefinite useful lives, and are therefore not depreciated. An impairment review is carried out at the reporting date.

The heritage assets were acquired by way of donation and the initial valuation has been treated as deemed cost. The works of art are loaned to art galleries for public enjoyment, or preserved in storage. The charity maintains a record of its heritage assets and where they are located.

1.7 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 'Net gains/(losses) on investments' in the Statement of financial activities.

1.8 Interest receivable

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

1.9 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.

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

1. Accounting policies (continued)

1.10 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.

1.11 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 charity 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 Statement of financial activities as a finance cost.

1.12 Financial instruments

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

1.13 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 charity 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.

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

2. Income from charitable activities

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Legacy	560	560	-

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

3. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Listed investment income - dividends and interest	2,784	2,784	3,215
Bank and other interest	24	24	99
	<u>2,808</u>	<u>2,808</u>	<u>3,314</u>

4. Other incoming resources

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Income tax recoverable	37	37	12
Rent receivable	15	15	3
	<u>52</u>	<u>52</u>	<u>15</u>

5. Raising funds

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Investment management fees	796	796	744

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Support of The Ramsbury Manor Foundation	5,520	5,520	186,078
Other Donations	254	254	274
	<u>5,774</u>	<u>5,774</u>	<u>186,352</u>

Summary by activity

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Support of The Ramsbury Manor Foundation	5,299	221	5,520	186,078
Other Donations	254	-	254	274
	<u>5,553</u>	<u>221</u>	<u>5,774</u>	<u>186,352</u>

Analysis of support costs

	Support of The Ramsbury Manor Foundation 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Insurance costs	8	8	8
Consultancy fees	37	37	38
Sundry expenses	2	2	7
Storage costs	35	35	35
Governance costs	139	139	104
	<u>221</u>	<u>221</u>	<u>192</u>

THE CAPRICORN FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

7. Auditors' remuneration

	2021 £000	2020 £000
Fees payable to the charity's auditor for the audit of the charity's annual accounts, including irrecoverable VAT	24	24

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 5 April 2021, no Trustee expenses have been incurred (2020 - £NIL).

9. Tangible fixed assets

	Freehold Investment property £000
Cost or valuation	
At 6 April 2020	1,453
Revaluations	-
At 5 April 2021	1,453
Net book value	
At 5 April 2021	1,453
At 5 April 2020	1,453

The properties were revalued by Savills as at 5 April 2019 and the Trustees are of the opinion that there has been no significant movement on these values since that date.

The charity has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	2021 £000	2020 £000
Freehold property	1,304	1,304

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FOR THE YEAR ENDED 5 APRIL 2021

10. Heritage assets

Assets recognised at cost

	Works of art 2021 £000	Total 2021 £000
Carrying value at 5 April 2020	47,000	47,000

The heritage assets were acquired by way of legacy and the initial valuation was treated as deemed cost, as permitted by section 18.18 of the Charities SORP (FRS 102).

A review of all these assets has been undertaken to ensure that they maintain their value. It is the opinion of the Trustees that there has been no significant impairments to the value of these assets during the year.

Analysis of heritage asset transactions

	2021 £000	2020 £000	2019 £000	2018 £000	2017 £000
Donations received					
Works of art	-	121,264	-	61,250	-
Ramsbury Manor Estate	-	-	28,000	-	-
Manor furniture, contents and garden items	-	37,832	-	-	-
Heritage cars and boats	-	6,882	-	-	-
Total additions	-	165,978	28,000	61,250	-
Donations made					
Works of art	-	(135,514)	-	-	-
Ramsbury Manor Estate	-	-	(28,000)	-	-
Manor furniture, contents and garden items	-	(37,832)	-	-	-
Heritage cars and boats	-	(6,882)	-	-	-
Total disposals	-	(180,228)	(28,000)	-	-

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11. Fixed asset investments

	Listed investments £000	Unlisted investments £000	Total £000
Cost or valuation			
At 6 April 2020	111,113	4,455	115,568
Additions	22,662	-	22,662
Disposals	(18,196)	-	(18,196)
Revaluations	27,167	-	27,167
At 5 April 2021	<u>142,745</u>	<u>4,455</u>	<u>147,200</u>

12. Debtors

	2021 £000	2020 £000
Due within one year		
Other debtors	4,989	4,853
Prepayments and accrued income	-	3
	<u>4,989</u>	<u>4,856</u>

13. Current asset investments

	2021 £000	2020 £000
Unlisted investments	-	45

14. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Accruals and deferred income	271	245

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15. Financial instruments

	2021 £000	2020 £000
Financial assets		
Financial assets measured at fair value through income and expenditure	38,562	43,184
Financial assets that are debt instruments measured at amortised cost	4,952	4,841
	<u>43,514</u>	<u>48,025</u>
	2021 £000	2020 £000
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(271)</u>	<u>(245)</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand, unlisted fixed asset investments and current asset investments.

Financial assets that are debt instruments measured at amortised cost comprise debtors excluding income tax recoverable.

Financial liabilities measured at amortised cost comprise accruals.

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16. Statement of funds

Statement of funds - current year

	Balance at 6 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 5 April 2021 £000
Designated funds						
Works of art	47,000	-	-	-	-	47,000
Capital investment fund	117,213	2,808	(796)	(2,038)	30,231	147,418
	<u>164,213</u>	<u>2,808</u>	<u>(796)</u>	<u>(2,038)</u>	<u>30,231</u>	<u>194,418</u>
General funds	<u>43,148</u>	<u>612</u>	<u>(5,774)</u>	<u>2,038</u>	<u>37</u>	<u>40,061</u>
Total funds	<u><u>207,361</u></u>	<u><u>3,420</u></u>	<u><u>(6,570)</u></u>	<u><u>-</u></u>	<u><u>30,268</u></u>	<u><u>234,479</u></u>

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FOR THE YEAR ENDED 5 APRIL 2021

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 6 April 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 5 April 2020 £000
Designated funds						
Works of art	61,250	-	(135,514)	121,264	-	47,000
Capital investment fund	101,696	3,314	(744)	27,282	(14,335)	117,213
	<u>162,946</u>	<u>3,314</u>	<u>(136,258)</u>	<u>148,546</u>	<u>(14,335)</u>	<u>164,213</u>
General funds	<u>242,468</u>	<u>15</u>	<u>(50,838)</u>	<u>(148,546)</u>	<u>49</u>	<u>43,148</u>
Total funds	<u><u>405,414</u></u>	<u><u>-</u></u>	<u><u>(187,096)</u></u>	<u><u>-</u></u>	<u><u>(14,286)</u></u>	<u><u>207,361</u></u>

All funds are unrestricted.

Designated Funds

Works of art - this fund represents heritage assets designated for loan to art galleries for public appreciation.

Capital investment fund - this fund represents assets held as an investment to produce the income to meet the trustees' liability to the Ramsbury Manor Foundation for recurrent expenditure and capital projects.

General Funds

The general funds are used to meet the direct costs and support of The Capricorn Foundation in meeting its aims and objectives.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

17. Analysis of net assets between funds - Current year

	Unrestricted designated funds 2021 £000	Unrestricted general funds 2021 £000	Total funds 2021 £000	Total funds 2020 £000
Tangible fixed assets	-	1,453	1,453	1,453
Fixed asset investments	142,717	4,455	147,172	115,568
Heritage assets	47,000	-	47,000	47,000
Current assets	4,701	34,424	39,125	43,585
Creditors due within one year	-	(271)	(271)	(245)
	<u>194,418</u>	<u>40,061</u>	<u>234,479</u>	<u>207,361</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £000	2020 £000
Net income/expenditure for the year (as per Statement of Financial Activities)	26,977	(198,083)
Adjustments for:		
(Gains)/losses on investments	(30,127)	14,316
Investment income	(2,808)	(3,314)
Decrease/(increase) in debtors	(133)	42,001
Increase in creditors	26	46
Donated heritage assets	-	180,228
Other asset donations	-	8
Net cash provided by/(used in) operating activities	<u>(6,065)</u>	<u>35,202</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of cash and cash equivalents

	2021 £000	2020 £000
Cash in hand	29,407	32,584
Notice deposits	4,701	6,100
Total cash and cash equivalents	34,108	38,684

20. Analysis of changes in net debt

	At 6 April 2020 £000	Cash flows £000	At 5 April 2021 £000
Cash at bank and in hand	38,684	(4,576)	34,108
Liquid investments	45	(45)	-
	38,729	(4,621)	34,108

21. Related party transactions

At the year-end, included in other debtors, is an amount of £4,557,000 (2020: £4,752,000) due from the residuary Estate of H J Hyams in respect of which two of the trustees are Executors.

The Capricorn Foundation made cash donations of £5,250,000 (2020: £5,650,000) to The Ramsbury Manor Foundation, to fulfil its charitable objects.

During the year, fees of £48,672 (2020: £39,930) were payable to a firm of solicitors for professional and administration services, a firm for which a Trustee acts as a consultant.