

Charity Registration No. 1139224

Company Registration No. 7442773 (England and Wales)

MOONDANCE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2020

MOONDANCE FOUNDATION

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MOONDANCE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 NOVEMBER 2020

The trustees present their report and financial statements for the year ended 30 November 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)".

Objectives and activities

Mission and activities

The mission of the Moondance Foundation is to prevent or relieve poverty, support the welfare and well-being of women, children, the elderly and the vulnerable in our society, improve health outcomes, raise educational standards and preserve our environment for future generations. Moondance tries to be as flexible as possible and supports organisations that have a transformational impact in their communities in Wales and beyond.

The Foundation allocates funds for general charitable purposes. The charity uses its investment income to donate to a variety of good causes which benefit the public to further its mission.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant-making policy for the year.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

Financial review and review of the year

Details of the financial performance are set out in the Statement of Financial Activities on page 10.

The charity is reliant on the income from its investments and the income in unrestricted funds from these investments for the year is £16,421,845 (2019: £15,192,109). Donations to the charity during the year totalled £27,090,000 (2019: £24,792,000).

Charitable donations made by the trustees in the year were £15,837,285 (2019: £11,652,853) under a wide range of the charity's objectives.

Moondance made 967 donations (2019: 134). The increase in donations is wholly due to the launch of the Moondance Covid-19 Relief fund in March 2020, with 819 Covid-19 grants being made in the year to third sector organisations working in Wales and impacted by the pandemic.

A breakdown of donations made during the year can be found on pages 17-21.

Following the successful Moondance Bowel Cancer Project, which commenced in January 2019, the Moondance Cancer Initiative has been established. This is a separate entity funded by the Moondance Foundation which aims to accelerate significant and sustained improvements in cancer survival over the next 10 years meaning fewer people should die from cancer in Wales, no matter who they are or where they live.

MOONDANCE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

Reserves policy

The charity's target free reserves equate to £30,000,000 (2019: £20,000,000), a level deemed appropriate by the trustees to support ongoing charitable donations for a period of two to three years whilst alternative sources of income are investigated. The charity's level of free reserves is defined as Current Assets Investments and Cash at bank and in hand, was £62,772,732 at 30 November 2020 (2019: £56,984,816). The trustees have decided to retain and treat as capital the investment balance to provide sufficient annual income to maintain the current level of charitable activity.

The free reserves balance is always high at the balance sheet date due to the dividend receipt that occurs in the month prior to the year end. In addition, £25,000,000 (2019: £25,000,000) is ring-fenced within the Current Assets Investments for the Moondance Cancer Initiative. The trustees believe the free reserves available are sufficient to meet the aims of the charity. This is reviewed on an annual basis and considered in the light of prevailing circumstances. The trustees aim to distribute the income generated in the year in the form of grants to charities and other worthwhile causes meeting one or more of the objectives of the trust as stated under principal activities above, in addition to building free reserves.

Investment policy

The trustees consider and regularly review their investment strategy to maximise income with consideration to risk. There are no restrictions on the investment powers of the trustees. Conditions within the financial markets are assessed how the funds will be invested. Currently the trustees consider that maintaining their portfolio of low-risk equity investments and the investment of funds in interest bearing accounts provides a favourable mix to meet their investment strategy.

At such time as the trustees agree to diversify their investments, due consideration will be given to a responsible investment policy to reflect social, environmental or ethical issues alongside risk.

Donations policy

An online application process was created for the launch of the Moondance Covid-19 Relief Fund. Following the success of this new way of working the Moondance Foundation website was launched, which includes an online application form for General Funding too.

Online applications are considered by the trustees and staff, as well as investigating causes that interest them. The donations strategy is discussed and concluded at regular trustee meetings during the year but trustees Diane Briere de l'Isle-Engelhardt, Henry Engelhardt and Louisa Scadden have authority to make donations of modest size at their discretion. In addition, Rebecca Watkins has authority to make donations of a lesser amount. For donations above Rebecca Watkins' authority, she will seek agreement from a trustee or trustees accordingly.

Furthermore, Diane Briere de l'Isle-Engelhardt has the authority to make more substantial grants, so long as she reports to the trustees either before or after the grant is made explaining why such grant was made.

Given the increased level of application throughout the year via the Covid-19 Relief Fund, Diane Briere de l'Isle-Engelhardt and Rebecca Watkins have been constantly working together, often daily, to give applications consideration and to inform applicants of the decision as soon as possible. It has been deemed important to provide a rapid response during these times of uncertainty.

Principal risks and uncertainties

The principal risk and uncertainty to the charity is the performance of the investments held by the charity, on which it is reliant for future income to sustain the planned grants. As described in the Investment policy, the trustees review, at least annually, the performance of the investments held and the strategy for minimising risk to the charity.

MOONDANCE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

The trustees have considered the major risks to which the charity is exposed and has established systems and procedures to manage those risks. The trustees consider the volatility of investment returns to constitute the charity's major risk, and therefore benchmark the return being obtained against other similar investment options.

The trustees consider that, in current market conditions, the current investments are providing the appropriate income requirement. However, the trustees recognise the risk of all the investments being in one sector and have taken action to diversify into other low risk investments.

Plans for the future

The charity will continue to provide grants in accordance with its Articles of Association and its aims and objectives. The Trustees intend that the level of investment income received from the capital portfolio is sufficient to support the required charitable donations in each year for the foreseeable future.

With the on-going Global pandemic and continued lockdowns, the trustees did not see the recovery of the third sector as imminent. Therefore, in January 2021, they announced the extension of the Moondance Covid-19 Relief Fund for 2021 with an additional £10m. These funds are for the sole purpose of relieving hardships caused as a direct result of the pandemic for charities and not-for-profit organisations in Wales.

Demand for the Covid-19 Relief Fund continues to be high, with Moondance supporting 338 organisations to the end of March 2021 with close to £4.7 million. At this time, we do not foresee the Moondance Covid-19 Relief Fund continuing beyond this financial year.

Structure, governance and management

Constitution

Moondance Foundation is a registered charitable company, charity number 1139224. The company was established on 17 November 2010 and is limited by guarantee. The Foundation was established by gifts from Diane Briere de l'Isle-Engelhardt. It operates in accordance with the Company's Articles of Association dated 17 November 2010. The charity does not actively fundraise and seeks to pursue its objectives through careful stewardship of its resources.

Trustees and organisation

The trustees who served during the year are set out on page 5. The power of appointing or removing trustees is vested in a majority of trustees.

The trustees meet regularly to agree on the broad strategy and areas of activity for the Foundation, including consideration of grant making, investment and risk management policies and performance.

The day-to-day management of the Foundation continues to be delegated to Rebecca Watkins, Foundation Director, who is a salaried employee of the Foundation. Salaries are benchmarked against similar jobs within the sector.

The trustees and staff keep their skill requirements under review and subscribe to charity law and guidance.

MOONDANCE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

Reference and Administrative Details

Company number 7442773

Charity number 1139224

Trustees and Directors
Diane Briere de l'Isle-Engelhardt
Henry Engelhardt
Louisa Scadden
Damien Engelhardt
Adrian Engelhardt
Shanna Briere de l'Isle Engelhardt
Tara Briere de l'Isle Engelhardt

Key management personnel Rebecca Watkins - Foundation Director

Auditor
Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Registered Office
C/O Azets
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers
Lloyds Bank
4th Floor
10 Canons Way
Harbourside
Bristol
BS1 5FL

Solicitors
Withers LLP
16 Old Bailey
London
EC4M 7EG

Investment Providers
Julius Baer
1 St Martin's Le Grand
London
EC14 4AS

Auditor

Azets Audit Services were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

MOONDANCE FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report, including the strategic report, was approved by the Board of Trustees.



Diane Briere de l'Isle-Engelhardt - Trustee

Dated: 20/05/21

MOONDANCE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 NOVEMBER 2020

The trustees, who are also the directors of Moondance Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 UK Accounting Standards have been followed, subject to any material departures disclosed and 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

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

MOONDANCE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MOONDANCE FOUNDATION

Opinion

We have audited the financial statements of Moondance Foundation (the 'charity') for the year ended 30 November 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 November 2020 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' Report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MOONDANCE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MOONDANCE FOUNDATION

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

MOONDANCE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MOONDANCE FOUNDATION

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

24th May 2021

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

MOONDANCE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	27,090,000	24,792,000
Investments	4	16,421,845	15,192,109
Total income		43,511,845	39,984,109
<u>Expenditure on:</u>			
Charitable activities	5	15,901,352	11,708,458
Net gains/(losses) on investments	9	80,816,181	6,582,715
Net incoming resources		108,426,674	34,858,366
Other recognised gains and losses			
Other gains or losses	10	(104,337)	(12,610)
Net movement in funds		108,322,337	34,845,756
Fund balances at 1 December 2019		309,713,078	274,867,322
Fund balances at 30 November 2020		418,035,415	309,713,078

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

MOONDANCE FOUNDATION

BALANCE SHEET

AS AT 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investments	11	354,858,825		252,299,287	
Current assets					
Debtors	13	458,250		432,875	
Investments	14	59,018,753		37,382,333	
Cash at bank and in hand		3,753,979		19,602,483	
		<u>63,230,982</u>		<u>57,417,691</u>	
Creditors: amounts falling due within one year	15	(54,392)		(3,900)	
Net current assets		<u>63,176,590</u>		<u>57,413,791</u>	
Total assets less current liabilities		<u>418,035,415</u>		<u>309,713,078</u>	
Income funds					
Unrestricted funds		418,035,415		309,713,078	
		<u>418,035,415</u>		<u>309,713,078</u>	

The financial statements were approved by the Trustees on 20/05/21



Diane Briere De L'Isle-Engelhardt
Trustee

Company Registration No. 7442773

MOONDANCE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	17	11,109,428		13,411,744	
Investing activities					
Purchase of investments		(27,090,000)		(24,792,000)	
Proceeds on disposal of investments		15,209,251		25,030,975	
Interest received		16,421,845		15,192,109	
Net cash generated from investing activities		4,541,096		15,431,084	
Net cash used in financing activities		-		-	
Net increase in cash and cash equivalents		15,650,524		28,842,828	
Cash and cash equivalents at beginning of year		61,998,033		33,155,205	
Cash and cash equivalents at end of year		77,648,557		61,998,033	
Relating to:					
Cash at bank and in hand		3,753,979		19,602,483	
Short term deposits included in current asset investments		73,894,578		42,395,550	

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies

Charity information

Moondance Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Ty Derw, Lime Tree Court, Cardiff Gate Business Park, Cardiff, CF23 8AB, UK.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations relate to quantities of shares of Admiral Group PLC being donated from a trustee. Income is recognised as the market value of the shares on the date of donation.

Dividends income is recognised on the date the charity's right to receive payment is established.

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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes all costs relating to the furtherance of the charity's objectives as stated in the trustees report.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in net income/(expenditure), except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Taxation

As a registered charity, Moondance Foundation is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

1 Accounting policies

(Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity'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 experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donated shares	27,090,000	24,792,000

Donation relates to the donation of 1,000,000 shares (2019: 1,200,000) in Admiral Group plc. At the time of donation, these were worth £27,090,000 (2019: £24,792,000). No restriction has been placed on this donation by the donor with the charity free to use the donation as they see appropriate within the objectives of the charity.

4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Dividend income	16,218,250	14,706,000
Bank and other interest received	203,595	486,109
	16,421,845	15,192,109

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

5 Charitable activities

	2020 £	2019 £
Staff costs	54,433	48,025
Other costs	5,734	3,710
Governance costs - audit fees	3,900	3,900
	<u>64,067</u>	<u>55,635</u>
Donations (note 7)	15,837,285	11,652,823
	<u>15,901,352</u>	<u>11,708,458</u>

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

6 Donations

	2020 £	2019 £
Children & Young People		
Action For Children	171,407	165,446
Barnardo's	237,800	200,000
Children of the Mekong	30,000	-
Mary's Meals	750,000	500,000
NSPCC	517,000	500,000
Papyrus UK	-	41,600
Plan International UK	626,440	626,440
Save the Children UK	357,940	-
Starlight Children's Foundation	25,000	-
Street Child	50,000	50,000
The Aloud Charity	35,000	35,000
The Duke of Edinburgh's Award	30,000	30,000
The Venture (Wrexham)	-	35,000
Unicef UK	272,580	-
Urban Youth Impact	16,676	32,177
Valleys Kids	30,000	-
YMCA Barry	20,145	-
YMCA Port Talbot	20,000	-
	<u>3,189,988</u>	<u>2,215,663</u>
Education		
Coleg Elidyr	-	100,000
College Bound	41,580	39,401
Early Years Wales	30,000	-
Eden Education Centre	21,730	-
Hilltop Schools Inc	441,990	204,750
INSEAD	118,098	50,000
Mudiad Meithrin	50,000	-
Prisoner's Education Trust	69,260	293,087
RESOLVEit	87,000	150,000
Stay at School	75,000	-
University of Michigan	93,359	92,407
UWC Atlantic College	272,210	220,000
World at Play	-	20,000
Xplore! Science Discovery Centre	20,276	-
	<u>1,320,503</u>	<u>1,169,645</u>

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

6 Donations

(Continued)

	2020	2019
	£	£
Environment		
Anglesey Sea Zoo and Marine Resource Centre	50,000	-
Bumblebee Conservation Trust	-	96,528
Centre for Alternative Technology	-	1,000,000
Global Feedback Ltd	50,273	59,540
Greenpeace UK	150,000	200,000
International Animal Rescue	-	1,000,000
Manor Wildlife Park	50,000	-
Marine Conservation Society	-	1,000,000
Mount Elgon Foundation	25,800	-
Oceana	250,000	250,000
Surfers Against Sewage	30,000	30,000
The Orchard Project	83,145	10,600
The Wildlife Trust of South and West Wales	35,000	-
The Wye and Usk Foundation	35,000	-
Wales Ape & Monkey Sanctuary	50,000	-
Woodland Trust	-	100,000
WWF - UK	90,000	50,000
Zoological Society of Wales Association	50,000	-
Zoo Leipzig	-	32,391
	949,218	3,829,059
Health		
ASD Rainbows	30,712	-
Aspire	32,381	30,523
Beat	112,116	-
Breast Cancer Now	40,378	-
British Heart Foundation	100,000	-
Cerebra	20,000	-
Cerebral Palsy Cymru	73,875	30,000
City Hospice	-	30,000
CLIC Sargent	53,527	-
Elton John AIDS Foundation	50,000	50,000
Llanelli Mind	20,000	-
Macmillan Cancer Support	100,000	-
Maggie's Centres	-	55,850
Marie Curie	50,449	-
Mind	109,540	-
Mind Monmouthshire	20,000	-
Mind Neath Port Talbot	25,028	-
Moondance Cancer Initiative	120,000	-
Multiple Sclerosis Society	21,116	20,000
National Council Against Drug Abuse	41,580	39,401
Nightingale House Hospice	4,900	35,000
Rowan Tree Cancer Care	30,000	30,000
Royal College of Surgeons of England (Moondance Bowel Cancer Project)	-	1,000,000
Royal Osteoporosis Society	-	25,000

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

6 Donations

(Continued)

Royal Society for Blind Children	14,767	20,000
Shirley Ryan AbilityLab (Rehabilitation Institute of Chicago)	-	15,896
Steps2Recovery	40,000	40,000
Teenage Cancer Trust	45,554	43,170
The Hydration Foundation	25,000	-
Ty Hafan	30,000	410,000
Ty Hapus	170,000	80,000
Velindre Univeristy NHS Trust	549,950	800
Welsh Centre for Action on Dependency and Addiction Limited	35,250	-
	<u>1,966,123</u>	<u>1,955,640</u>

	2020 £	2019 £
Other Causes in Wales		
2 Wish Upon a Star	58,400	-
Aberconwy Domestic Abuse Service	37,839	-
ACE - Action in Caerau & Ely	22,658	-
ACE Cardiff	-	20,000
Afan Community Fitness Suite	20,478	-
Age Cymru West Glamorgan	-	25,000
Age Cymru Gwynedd a Mon	30,000	-
Arts & Business Cymru	110,000	65,000
Atal Y Fro	39,476	-
AVOW (Association of Voluntary Organisations in Wrexham)	39,430	-
Barry Beavers Disabled Swimming Club	-	30,000
Boomerang Cardiff	34,276	-
Calan DVS	21,481	-
Can Cook	30,000	-
Canolfan Pentre CIO	46,608	-
Cardiff Women's Aid	45,568	-
Care & Repair North East Wales	22,865	-
Central Beacons Mountain Rescue Team	22,410	-
Chapter Arts Centre	120,977	30,000
Circus Eruption	15,000	50,000
Club 707	29,015	-
Cymunedau'n Ymlaen Communities Forward	59,750	-
Deal Me Out	20,000	-
DASU	49,890	-
Duffryn Community Link	46,000	-
Follow Your Dreams	21,798	-
Friends of Pedal Power Project	31,340	-
Gathering Place	25,000	-
GISDA	21,600	-
Glenwood Church	100,000	-
Goldies Cymru	88,500	75,000
Grange Pavilion	-	100,000

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2020

6 Donations

(Continued)

Gwasanaeth Cynnal Gofalwyr / Carers Outreach Service	25,000	-
Hafan Cymru	54,000	-
Homeless World Cup Foundation	-	50,000
Huggard	80,000	80,000
Hybu Limited	30,000	42,500
Inspire Fitness Merthyr	31,000	5,000
Llamau	35,000	-
Make-A-Wish Foundation	25,000	-
Mental Health Football - FAW Trust	28,000	-
Menter Cwm Gwendraeth Elli	20,000	-
Monumental Welsh Women	25,000	-
Neath Port Talbot Carers Service	24,870	-
New Pathways	80,000	-
Oasis Cardiff	27,300	20,000
Old Mill Foundation	24,000	-
Perthyn	27,000	-
Port Talbot and Afan Women's Aid	23,000	-
Prime Cymru	-	307,784
PTAWA Enterprises Limited	12,000	45,000
Purple Shoots	250,000	-
Race Council Cymru	32,730	-
RASASC, North Wales	30,000	-
RBLI	33,000	-
Re-engage	25,300	-
Rectorial Benefice of Upper Iswlyn	33,261	-
Resolven Building Blocks	27,570	-
RSPCA Llys Nini	-	50,000
Safer Wales	151,716	175,000
Shelter Cymru	-	26,890
SRCDC	39,000	-
St David's Diocesan Council for Social Responsibility	20,000	-
Starfish Alliance	28,000	-
The Bedwas, Machen, Michaelston-Y-Fedw and Rudry Parish Trust	24,000	-
The Big Issue	125,000	-
The Biscuit Fund	40,000	-
The British Red Cross	50,000	104,301
The Coalfields Regeneration Trust	150,000	-
The Fern Partnership	12,000	67,000
The League of Friends of Brecon Hospital	-	150,000
The Poppy Factory	43,000	29,000
The Rhondda Calendar Society	236,000	-
The Springboard Charity & Springboard UK	30,322	-
The Wallich	150,000	320,084
Theatr Clwyd	-	86,100
Threshold DAS	20,753	-
toogoodtowaste	25,000	-
Trinity Childcare and Family Centre	8,000	30,000
Tros Gynnal Plant	25,000	-

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

6	Donations	(Continued)	
	Twynyrodyn Community Hub	39,840	-
	Wales Millennium Centre	50,000	75,000
	Welsh Women's Aid	54,855	-
	Women's Aid - RCT	25,000	-
	Wrexham Youth and Play Partnership	21,571	-
	Y Dref Werdd	26,544	-
	Ystradowen Community Centre CGYCC	22,502	-
		<u>3,631,493</u>	<u>2,058,659</u>
		2020	2019
		£	£
	Other		
	Acumen Fund	821,963	-
	California Coalition for Rural Housing	123,967	-
	Focusing Philanthropy	233,191	-
	Goodheart Animal Sanctuary	33,150	-
	INSP Foundation	50,000	50,000
	Orchard Village	-	23,615
	Less than £20,000 each	3,517,689	350,542
		<u>4,779,960</u>	<u>424,157</u>
	Total	<u>15,837,285</u>	<u>11,652,823</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the current or prior year.

No trustees were reimbursed for expenses in the current or prior year.

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	1	1
Employment costs	2020 £	2019 £
Wages and salaries	48,121	43,809
Social security costs	2,512	1,916
Other pension costs	3,800	2,300
	54,433	48,025

Key management personnel

The total amount paid to key management personnel for their services to the charity during the year totalled £54,433 (2019: £48,025).

Employees earning > £60,000

There were no employees whose annual remuneration was £60,000 or more.

9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Revaluation of investments	80,816,181	6,582,715

10 Other gains or losses

	Unrestricted funds	Unrestricted funds
	2020 £	2019 £
Foreign exchange gains	104,337	12,610

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

11 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 December 2019	247,286,070	5,013,217	252,299,287
Additions	27,090,000	-	27,090,000
Valuation changes	80,816,181	-	80,816,181
Dealing account	-	9,862,608	9,862,608
Disposals	(15,209,251)	-	(15,209,251)
At 30 November 2020	339,983,000	14,875,825	354,858,825
Carrying amount			
At 30 November 2020	339,983,000	14,875,825	354,858,825
At 30 November 2019	247,286,070	5,013,217	252,299,287

A significant proportion of the portfolio held consists of 11,900,000 shares (2019: 11,400,000) in Admiral Group plc, donated to the charity at a value £202,379,627 (2019: £183,330,435). This equates to approximately 4% (2019: 3.9%) of the issued shares of Admiral Group plc. The Trustees believe that a sale of the entire investment is unlikely, but that in this unlikely event, the quoted share price may materially change from the market value at the time the disposal was initiated. The Trustees believe it is not possible to reliably estimate the effect on the value of the investment holding this would cause and hence no adjustment has been made to the carrying value of the investment.

12 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	339,983,000	247,286,070

13 Debtors	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	458,250	432,875

Contained in other debtors above are amounts due within more than one year totalling £192,750 (2019: £128,500).

14 Current asset investments	2020 £	2019 £
Listed investments	59,018,753	37,382,333

MOONDANCE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	54,392	3,900

16 Related party transactions

The charity holds 11,900,000 shares (2019: 11,400,000) in Admiral Group plc. Henry Engelhardt, a trustee of Moondance Foundation, held the position of Chief Executive of Admiral Group plc. until May 2016. He continues to work for them in an advisory capacity.

During the year, Diane Briere de l'Isle-Engelhardt donated 1,000,000 shares (2019: 1,200,000) in Admiral Group plc. At the time of donation, the value of the shares was £27,090,000 (2019: £24,792,000). No restriction has been placed on the donation by the donor with the charity free to use the donation as they see appropriate within the objectives of the charity.

During the year, the charity donated £87,000 (2019: £150,000) to RESOLVE it, a Community Interest Company where Diane Briere de l'Isle-Engelhardt holds the position of Director.

During the year, the charity donated £110,000 (2019: £65,000) to Arts & Business Cymru, where Louisa Scadden holds the position of trustee.

Moondance Cancer Initiative has common directors. The charity donated £120,000 (2019: £nil) during the year to the company.

17 Cash generated from operations

	2020 £	2019 £
Surplus for the year	108,426,674	34,858,366
Adjustments for:		
Investment income recognised in statement of financial activities	(16,421,845)	(15,192,109)
Foreign exchange differences	(104,337)	(12,610)
Fair value gains and losses on investments	(80,816,181)	(6,582,715)
Movements in working capital:		
(Increase)/decrease in debtors	(25,375)	340,812
Increase in creditors	50,492	-
Cash generated from operations	11,109,428	13,411,744

18 Analysis of changes in net funds

The charity had no debt during the year.