

**Charity Registration No. 1139224**

**Company Registration No. 7442773 (England and Wales)**

**MOONDANCE FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2021**

# MOONDANCE FOUNDATION

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# **MOONDANCE FOUNDATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 NOVEMBER 2021**

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The trustees present their report and financial statements for the year ended 30 November 2021.

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 Moondance Foundation is to prevent or relieve poverty, support the welfare and wellbeing 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 11.

The charity is reliant on the income from its investments and the income in unrestricted funds from these investments for the year is £29,629,124 (2020: £16,421,845). Donations to the charity during the year totalled £47,700,000 (2020: £27,090,000).

Charitable donations made by the trustees in the year were £18,116,934 (2020: £15,837,285) under a wide range of the charity's objectives. Moondance made 658 donations (2020: 967).

In this year, Moondance's focus of support continues to be on Wales and the environment. We have supported a new campaign in partnership with BBC Studios and the Green Planet television series #OurGreenPlanet.

In April 2022, Moondance's donations surpassed £100 million since its creation in 2010. During this time, over 2,300 donations have been made to support Moondance's charitable aims and trustees' interests.

In June 2022, the Moondance Covid-19 Relief fund closed, with all enquiries being directed to our General Funding. Since its launch in March 2020 the fund has supported organisations in Wales, helping them overcome the impact of Covid and increase their activities to support others. Over £15 million has been distributed in 1,400 donations which have ranged from £250 to £500,000.

A breakdown of donations made during the year can be found on pages 18 - 24.

# **MOONDANCE FOUNDATION**

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

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

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### **Reserves policy**

The charity's target free reserves equate to £30,000,000 (2020: £30,000,000), 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 £85,218,857 at 30 November 2021 (2020: £62,772,732). 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, £24,000,000 (2020: £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**

The website and online application process continues to work well.

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.

### **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.

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.



# **MOONDANCE FOUNDATION**

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

***FOR THE YEAR ENDED 30 NOVEMBER 2021***

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### **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.

The trustees recognise that Covid-19 still has an impact on the third sector and this is exasperated by the cost of living and Brexit. They remain committed to support the third sector in Wales and working to improve the environment for generations to come.

Moondance Cancer Initiative operates as a separate entity, funded entirely by the Moondance Foundation. It continues to support varied projects and research across Wales with the aim of improving the outcome for people suffering with cancer in Wales.

### **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 4. 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 2021**

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### 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 2021**

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#### 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: 29 July 2022

# **MOONDANCE FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 30 NOVEMBER 2021***

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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 TRUSTEES OF MOONDANCE FOUNDATION

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#### Opinion

We have audited the financial statements of Moondance Foundation (the 'charity') for the year ended 30 November 2021 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 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 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

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 other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

#### 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 TRUSTEES OF MOONDANCE FOUNDATION

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### **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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# MOONDANCE FOUNDATION

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

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### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# MOONDANCE FOUNDATION

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

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### 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

02-08-2022

**Chartered Accountants**  
**Statutory Auditor**

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



# MOONDANCE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income from:</u></b>			
Donations and legacies	3	47,700,000	27,090,000
Investments	4	29,629,124	16,421,845
<b>Total income</b>		<b>77,329,124</b>	<b>43,511,845</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	18,189,161	15,901,352
 Net gains/(losses) on investments	 9	 8,555,000	 80,816,181
 <b>Net incoming resources</b>		 <b>67,694,963</b>	 <b>108,426,674</b>
<b><u>Other recognised gains and losses</u></b>			
Other gains or losses	10	(339,014)	(104,337)
<b>Net movement in funds</b>		<b>67,355,949</b>	<b>108,322,337</b>
 Fund balances at 1 December 2020		 418,035,415	 309,713,078
<b>Fund balances at 30 November 2021</b>		<b>485,391,364</b>	<b>418,035,415</b>

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 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	11	400,375,770		354,858,825	
<b>Current assets</b>					
Debtors	13	216,250		458,250	
Investments	14	76,264,256		59,018,753	
Cash at bank and in hand		8,954,601		3,753,979	
		<u>85,435,107</u>		<u>63,230,982</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(419,513)</u>		<u>(54,392)</u>	
Net current assets		85,015,594		63,176,590	
<b>Total assets less current liabilities</b>		<u>485,391,364</u>		<u>418,035,415</u>	
<b>Income funds</b>					
Unrestricted funds		485,391,364		418,035,415	
		<u>485,391,364</u>		<u>418,035,415</u>	

The financial statements were approved by the Trustees on 29 JULY 2022



**Diane Briere De L'Isle-Engelhardt**  
Trustee

Company Registration No. 7442773

# MOONDANCE FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	17	29,778,946		11,109,428	
<b>Investing activities</b>					
Purchase of investments		(47,700,000)		(27,090,000)	
Proceeds on disposal of investments		-		15,209,251	
Investment income received		29,629,124		16,421,845	
<b>Net cash (used in)/generated from investing activities</b>		(18,070,876)		4,541,096	
<b>Net cash used in financing activities</b>		-		-	
<b>Net increase in cash and cash equivalents</b>		11,708,070		15,650,524	
Cash and cash equivalents at beginning of year		77,648,557		61,998,033	
<b>Cash and cash equivalents at end of year</b>		89,356,627		77,648,557	
<b>Relating to:</b>					
Cash at bank and in hand		8,954,601		3,753,979	
Short term deposits included in current asset investments		80,402,026		73,894,578	

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2021

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### 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, United Kingdom.

#### 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 2021

### 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 2021

### 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
	2021	2020
	£	£
Donated shares	47,700,000	27,090,000

Donation relates to the donation of 1,500,000 shares (2020: 1,000,000) in Admiral Group plc. At the time of donation, these were worth £47,700,000 (2020: £27,090,000). 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
	2021	2020
	£	£
Dividend income	29,393,000	16,218,250
Bank and other interest received	236,124	203,595
	29,629,124	16,421,845

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 NOVEMBER 2021**

### **5 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff costs	59,819	54,433
Other costs	8,489	5,734
Governance costs - audit fees	3,919	3,900
	<u>72,227</u>	<u>64,067</u>
Donations (note 7)	18,116,934	15,837,285
	<u>18,189,161</u>	<u>15,901,352</u>

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

	2021 £	2020 £
<b>Children &amp; Young People</b>		
Action for Children	50,000	171,407
Barnardo's	210,000	237,800
Children of the Mekong	-	30,000
Duke of Edinburgh Award Scheme	29,995	30,000
Eagle House Youth Development CIC	59,000	11,970
Home-Start Cymru for Families	274,781	-
Hybu Limited	-	30,000
Mary's Meals	750,000	750,000
Milford Youth Matters	25,000	5,100
NSPCC	500,000	517,000
Plan International UK	626,440	626,440
Pontypridd YMCA	150,000	-
Save the Children	291,883	357,940
Senghenydd Youth Drop in Centre	36,000	-
Starlight Children's Foundation	40,000	25,000
Street Child	-	50,000
The Aloud Charity	35,000	35,000
Unicef	-	272,580
Valleys Kids	137,000	30,000
Vibe Youth	50,000	-
Wrexham Youth & Play Partnership	19,776	21,571
YMCA Barry	6,390	20,145
Youth Shedz Limited	28,000	-
	<u>3,319,265</u>	<u>3,221,953</u>
<b>Education</b>		
College Bound (A Million Stars)	37,261	41,580
Early Years Wales	-	30,000
Eden Education Centre	-	21,730
Hilltop Schools Inc	111,668	441,990
INSEAD	115,303	118,098
Mudiad Meithrin Cyf	-	50,000
North Wales Science (Xplore)	-	20,276
Prisoners' Education Trust	-	69,260
RESOLVEit CIO	151,500	87,000
Stay at School	-	75,000
University of Michigan	82,758	93,359
UWC Atlantic College	229,000	272,210
	<u>727,490</u>	<u>1,320,503</u>



# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021 £	2020 £
<b>Enivornment</b>		
Anglesey Sea Zoo & Marine Resource Centre	-	50,000
BBC Studios	1,000,713	-
Earth Restoration Alliance dba Global Choices (\$200,000)	149,197	-
Giraffe Conservation Foundation (\$100,000)	73,443	-
Global Feedback Ltd	-	50,273
Greenpeace	150,000	150,000
Grow Cardiff	29,873	18,576
Manor Wildlife Park	50,000	50,000
Mount Elgon Foundation	-	25,800
National Zoological Society of Wales	50,000	50,000
Oceana Inc	250,000	250,000
Surfers Against Sewage	30,000	30,000
The Orchard Project	88,456	83,145
The Wildlife Trust of South and West Wales	50,000	35,000
The Wye & Usk Foundation	-	35,000
Wales Ape and Monkey Sanctuary Ltd	-	50,000
WWF - UK	127,400	90,000
	<u>2,049,082</u>	<u>967,794</u>
<b>Health</b>		
Alzheimer's Society	59,000	-
AP Cymru - The Autism Charity	41,452	-
ASD Rainbows	-	30,712
Aspire	31,081	32,381
Auditory Verbal UK	34,905	-
Beat (Eating Disorders Association)	-	112,116
Breast Cancer Now	-	40,378
Brecon and District Mind	40,000	-
British Heart Foundation	113,000	100,000
Centre of Sign-Sight-Sound	29,727	-
Cerebral Palsy Cymru	72,151	73,875
City Hospice	-	-
CLIC Sargent	-	53,527
Conwy Mind	42,987	-
Dementia UK	25,000	-
Elton John Aid Foundation (EJAF)	50,000	50,000
Hospice of the Valleys	28,040	-
Focusing Philanthropy Inc (Edna Adan Hospital Foundation, Maya Health Alliance & The END Fund)	-	233,191
Inspiring Hope (Inspire Merthyr)	25,000	31,000
Llanelli Mind	-	20,000
Macmillan Cancer Support	110,000	100,000
Maggie's	57,000	-

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021	2020
	£	£
Marie Curie	-	50,449
Mental Health Football in Wales	14,130	28,000
Mind	-	109,540
Mind Monmouthshire	25,000	20,000
Mind Neath Port Talbot	33,815	25,028
Moondance Cancer Initiative	746,000	120,000
Multiple Sclerosis Society	-	21,116
Multiple Sclerosis Trust	53,000	-
Nightingale House Hospice	28,749	4,900
North Wales Recovery Communities	21,840	3,326
PreventEd (formally NCADA)	37,277	41,580
Ray of Light Wales Cancer Support	35,626	-
Recovery Cymru Community	23,892	-
Rowan Tree Cancer Centre	50,000	30,000
Royal Osteoporosis Society	25,000	-
St David's Hospice	39,078	-
St Kentigern Hospice	100,000	-
Steps2Recovery	40,000	40,000
Teenage Cancer Trust	46,500	45,554
Tenovus Cancer Care	105,000	-
The Autism Directory	24,000	11,150
The END Fund (\$1,000,000)	730,066	-
The Hydration Foundation	-	25,000
Touch Trust	24,616	8,950
Ty Hafan	41,000	30,000
Ty Hapus CIO	100,000	170,000
Velindre University NHS Trust	-	549,950
Welsh Centre for Action on Dependency and Addiction Limited	-	35,250
	<b>3,103,932</b>	<b>2,246,973</b>
<b>Other Causes in Wales</b>		
2 Wish Upon a Star	-	58,400
Aber Food Surplus	36,400	-
Aberconwy Domestic Abuse Service	-	37,839
Aberystwyth University - Dewis Choice	105,000	-
Accessibility Powys	24,460	-
ACE - Action in Caerau and Ely	20,000	22,658
Action for Elders Trust	50,000	12,000
Afan Community Fitness Suite	-	20,478
Age Cymru Gwynedd & Mon	-	30,000
Age Cymru Powys	33,920	-
Age Cymru West Glamorgan	31,064	-
Arts & Business Cymru	50,000	110,000
Atal Y Fro	38,338	39,476

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021 £	2020 £
AVOW ( Association of Voluntary Organisations in Wrexham)	-	39,430
Benefice of Upper Islwyn	34,261	-
Boomerang Cardiff	233,000	34,276
Bridge The Gap for BAME Community (Daughters of the King)	28,742	-
Bridgend Carers Centre	29,000	12,000
Caerau Development Trust	30,620	-
Calan Domestic Violence Services	44,636	21,481
Cambrian Village Trust Ltd	46,600	-
Can Cook	167,000	30,000
Canolfan Gymunedol Ystradowen Community Centre CGYCC	22,072	-
Canolfan Pentre CIO	38,680	46,608
Cardiff Women's Aid	43,154	45,568
Care & Repair North East Wales	-	22,865
Central Beacons Mountain Rescue Team	-	22,410
Chapter Cardiff Ltd	30,000	120,977
Citizens Advice Caerphilly Blaenau Gwent	26,359	-
Citizens Advice Cardiff and Vale	62,367	-
Clore Social Leadership	30,000	-
Club 707	-	29,015
Cruse Bereavement Care	61,686	-
Cymunedau'n Ymlaen Mon Communities Forward	-	59,750
Cyngor ar Bopeth Cylch Conwy District Citizens Advice Bureau	22,970	-
Cyngor ar Bopeth Powys Citizens Advice	28,375	-
Dal Dy Dir	22,210	-
Dogs Trust	47,023	-
Domestic Abuse Safety Unit North Wales (DASU)	49,890	49,890
Duffryn Community Links	28,000	46,000
Enfys Foundation	25,000	10,000
Follow Your Dreams	7,275	21,798
Food Redistribution Wales Ltd T/A FareShare Cymru	123,000	-
FoodShare North Wales CIC	34,000	-
Friends of Pedal Power Project Ltd	-	31,340
Galeri Caernarfon Cyf	25,000	-
Gathering Place	20,000	25,000
Gisda	50,000	21,600
Glenwood Church	-	100,000
Goldies Cymru	75,900	88,500
Gwasanaeth Cynnal Gofalwyr/ Carers Outreach Service	43,382	25,000
Hafan Cymru	1,000	54,000
Hafren Theatre (part of the NPTC Group of Colleges)	35,000	-
Hay Castle Trust	150,000	-
Hope Ministries Cwmbran	25,000	-
Horn Development Association CIC	28,000	-
Huggard	126,401	80,000

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021	2020
	£	£
KIM Inspire	23,000	-
Live Music Now Wales	21,320	10,000
Llamau	75,659	35,000
Make-A-Wish Foundation	-	25,000
Menter Cwm Gwendraeth Elli	-	20,000
Montgomeryshire Family Crisis Centre	37,889	3,000
Monumental Welsh Women		25,000
Music in Hospitals & Care	58,751	18,404
Nantymoel Amateur Boxing Club	30,000	-
National Literacy Trust	24,970	9,968
Neath Port Talbot Carers Service	-	24,870
Neuadd Goffa Penmachno (Penmachno Village Institute)	25,000	-
New Pathways	82,411	80,000
NoFit State Circus	60,000	-
Oasis Cardiff	33,750	27,300
Parish of Porthkerry, Rhoose & Penmark	30,000	-
Parish of St Thomas and Kilvey	30,802	8,000
PAVO (Powys Association of Voluntary Organisations)	47,013	-
People and Work Unit	28,500	-
Perthyn	-	27,000
Phoenix Domestic Abuse Services	42,277	16,284
Poppy Factory RBL	43,738	-
Port Talbot and Afan Women's Aid (Thrive Women's Aid)	26,381	23,000
PRIME Cymru	50,000	-
PTAWA Enterprise Ltd (Thrive Group Wales)	22,440	12,000
Purple Shoots	250,000	250,000
Race Council Cymru	-	32,730
RASASC, North Wales	30,000	30,000
RBLI	-	33,000
RCS (Rhyl City Strategy)	71,336	-
Rectorial Benefice of Upper Islwyn	-	33,261
Re-engage	-	25,300
Relate	52,818	-
Resolven Building Blocks	25,353	27,570
Safer Merthyr Tydfil	27,725	18,781
Safer Wales	125,000	151,716
Social Firms Wales	30,000	-
South Riverside Community Development Centre	30,000	39,000
Span Arts	24,500	5,000
Spectacle Theatre Ltd	28,543	-
Sported Foundation	40,000	-
St David's Diocesan Council for Social Responsibility:		
Plant Dewi	37,032	20,000
St Giles Trust	25,686	6,160
St John Ambulance Cymru	42,308	-
Stephens and George Centenary Charitable Trust	35,000	10,000
Swansea Music Art Digital	25,000	7,500

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021	2020
	£	£
Swansea Women's Aid	58,243	-
The Armed Forces Bikers Veterans Charity	30,000	-
The Bedwas, Machen, Michaelston-y-Fedw & Rudry Parish Trust	-	24,000
The Big Issue	194,350	125,000
The Biscuit Fund	45,000	40,000
The Bridge Mentoring Plus Scheme	38,396	15,120
The British Red Cross	-	50,000
The Coalfields Regeneration Trust	10,000	150,000
The Community Cafe ( affiliated to Father's place )	23,980	8,000
The Fern Partnership	-	27,351
The Hwb Torfaen	25,200	19,281
The Old Mill Foundation	15,000	24,000
The Poppy Factory	-	43,000
The Queens Hall Narberth	33,072	-
The Rhondda Calendar Society	-	236,000
The Springboard Charity & Springboard UK	22,500	30,322
The Starfish Alliance	-	28,000
The Wallich	150,000	150,000
Theatre Development Trust - THEATRE ARTISTS FUND	68,000	-
Threshold DAS	-	20,753
toogoodtowaste	-	25,000
Tros Gynnal Plant	-	25,000
Tumble Family Centre	23,352	-
Twynnyroddyn Community Hub	54,050	39,840
Urdd Gobaith Cymru	24,000	-
Vision of Hope	27,000	-
Voluntary Arts Wales	27,166	-
Wales Millennium Centre	50,000	50,000
Welsh Dance Theatre Trust	-	-
T/A Rubicon Dance	24,300	-
Welsh Housing Aid (t/a Shelter Cymru)	49,924	-
Welsh Refugee Council	25,000	13,306
Welsh Women's Aid	-	54,855
Women's Aid RCT	-	25,000
Y Dref Werdd	-	26,544
YHA (England and Wales)	48,558	-
Ystradowen Community Centre CGYCC	-	22,502
	<u>5,046,078</u>	<u>3,696,077</u>

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 6 Donations

(Continued)

	2021 £	2020 £
<b>Other</b>		
Acumen Fund, Inc	-	821,963
California Coalition of Rural Housing	110,197	123,967
Goodheart Animal Sanctuary	-	33,150
INSP Foundation	50,000	50,000
The Freedom Fund US	1,000,000	-
Less than £20,000 each	2,710,891	3,354,906
	<u>3,871,088</u>	<u>4,383,986</u>
<b>Total</b>	<u>18,116,934</u>	<u>15,837,285</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.

### 8 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>1</u>	<u>1</u>
<b>Employment costs</b>		
	2021 £	2020 £
Wages and salaries	52,260	48,121
Social security costs	2,059	2,512
Other pension costs	5,500	3,800
	<u>59,819</u>	<u>54,433</u>

#### Key management personnel

The total amount paid to key management personnel for their services to the charity during the year totalled £59,819 (2020: £54,433).

#### Employees earning > £60,000

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

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Revaluation of investments	8,555,000	80,816,181

### 10 Other gains or losses

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Foreign exchange gains	339,014	104,337

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 11 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 December 2020	339,983,000	14,875,825	354,858,825
Additions	47,700,000	-	47,700,000
Valuation changes	8,555,000	-	8,555,000
Dealing account	-	(10,738,055)	(10,738,055)
At 30 November 2021	396,238,000	4,137,770	400,375,770
<b>Carrying amount</b>			
At 30 November 2021	396,238,000	4,137,770	400,375,770
At 30 November 2020	339,983,000	14,875,825	354,858,825

A significant proportion of the portfolio held consists of 13,400,000 shares (2020: 11,900,000) in Admiral Group plc, donated to the charity at a value £250,079,627 (2020: £202,379,627). This equates to approximately 4.47% (2020: 4%) 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

	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	472,502,256	339,983,000

### 13 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	216,250	458,250

Contained in other debtors above are amounts due within more than one year totalling £87,750 (2020: £192,750).

### 14 Current asset investments

	2021 £	2020 £
Listed investments	76,264,256	59,018,753



# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2021

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	419,513	54,392

### 16 Related party transactions

The charity holds 13,400,000 shares (2020: 11,900,000) 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 1,500,000 shares (2020: 1,000,000) in Admiral Group plc. At the time of donation, the value of the shares was £47,700,000 (2020: £27,090,000). 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 £150,000 (2020: £87,000) 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 £50,000 (2020: £110,000) to Arts & Business Cymru, where Louisa Scadden holds the position of trustee.

During the year, the charity donated £62,367 (2020: £nil) to Cardiff & Vale Citizens Advice Bureau where Louisa Scadden holds the position of trustee.

Moondance Cancer Initiative has common directors. The charity donated £746,000 (2020: £120,000) during the year to the company.

### 17 Cash generated from operations

	2021 £	2020 £
Surplus for the year	67,694,963	108,426,674
Adjustments for:		
Investment income recognised in statement of financial activities	(29,629,124)	(16,421,845)
Foreign exchange differences	(339,014)	(104,337)
Fair value gains and losses on investments	(8,555,000)	(80,816,181)
Movements in working capital:		
Decrease/(increase) in debtors	242,000	(25,375)
Increase in creditors	365,121	50,492
<b>Cash generated from operations</b>	<b>29,778,946</b>	<b>11,109,428</b>

### 18 Analysis of changes in net funds

The charity had no debt during the year.