

**Charity registration number 1139224**

**Company registration number 7442773 (England and Wales)**

**MOONDANCE FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2022**

# MOONDANCE FOUNDATION

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 26

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# MOONDANCE FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 30 NOVEMBER 2022

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The trustees present their report and financial statements for the year ended 30 November 2022.

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, older people 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 planning future activities, and setting the grant-making policy for the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### 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 9.

The charity relies on the income from its investments, and the income in unrestricted funds from these investments for the year is £32,218,673 (2021: £29,629,124). No donations were made to the charity in 2022; however in early 2023, two donations were made, adding a further 2 million Admiral Group Plc shares to the Moondance investments (2021: £47,700,000).

Charitable donations made by the trustees in the year were £20,879,979 (2021: £18,116,934) under a wide range of the charity's objectives. Moondance made 332 donations (2021: 658).

Moondance continues to focus its support on Wales, with over 66% of the value of donations benefiting Wales in 2022. In addition, we continue to support the environment, and building on our relationship with BBC Studios and the successful #OurGreenPlanet campaign, we have supported #OurFrozenPlanet campaign.

In 2022 significant donations were made to Theatr Clwyd, The Freedom Fund, Citizen's Advice Cymru, The End Fund, Mary's Meals, Plan International, Greenpeace, NSPCA and the Trussell Trust. A breakdown of donations made during the year can be found on pages 16-22.

# MOONDANCE FOUNDATION

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

**FOR THE YEAR ENDED 30 NOVEMBER 2022**

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### **Reserves Policy**

The charity's target free reserves equate to £50,000,000 (2021: £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 £91,962,660 at 30 November 2022 (2021: £85,218,857). 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, £23,000,000 (2021: £24,000,000) 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.

When 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 continue to work well. The charity is exploring a new grant management system to support online application.

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, still trustees Diane Briere de l'Isle-Engelhardt, Henry Engelhardt and Louisa Scadden have the authority to make donations of modest size at their discretion. In addition, Rebecca Watkins has the 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 a 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 have 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 2022**

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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 2022**

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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

# MOONDANCE FOUNDATION

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

**FOR THE YEAR ENDED 30 NOVEMBER 2022**

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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: 25 June 2023

# **MOONDANCE FOUNDATION**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

### ***FOR THE YEAR ENDED 30 NOVEMBER 2022***

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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; 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 2022 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 2022 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 for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, 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.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in 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.

### **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.



**Andrew Howells (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

18 August 2023

**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 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	3	-	47,700,000
Investments	4	32,218,673	29,629,124
<b>Total income</b>		<u>32,218,673</u>	<u>77,329,124</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	5	<u>20,961,863</u>	<u>18,189,161</u>
Net gains/(losses) on investments	9	<u>(124,754,000)</u>	<u>8,555,000</u>
<b>Net (outgoing)/incoming resources</b>		<u>(113,497,190)</u>	<u>67,694,963</u>
<b><u>Other recognised gains and losses</u></b>			
Other gains or losses	10	<u>93,839</u>	<u>(339,014)</u>
<b>Net movement in funds</b>		<u>(113,403,351)</u>	<u>67,355,949</u>
Fund balances at 1 December 2021		<u>485,391,364</u>	<u>418,035,415</u>
<b>Fund balances at 30 November 2022</b>		<u><u>371,988,013</u></u>	<u><u>485,391,364</u></u>

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.



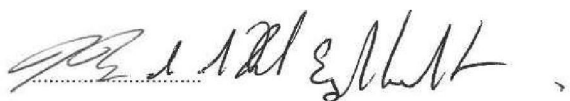
# MOONDANCE FOUNDATION

## BALANCE SHEET

AS AT 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	11	280,403,650		400,375,770	
<b>Current assets</b>					
Debtors	13	216,250		216,250	
Investments	14	90,096,248		76,264,256	
Cash at bank and in hand		1,866,412		8,954,601	
		92,178,910		85,435,107	
<b>Creditors: amounts falling due within one year</b>	15	(594,547)		(419,513)	
Net current assets		91,584,363		85,015,594	
<b>Total assets less current liabilities</b>		371,988,013		485,391,364	
<b>Income funds</b>					
Unrestricted funds		371,988,013		485,391,364	
		371,988,013		485,391,364	

The financial statements were approved by the Trustees on 28 June 2023



Trustee

Company registration number 7442773

# MOONDANCE FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 NOVEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	17		(20,692,990)		29,778,946
<b>Investing activities</b>					
Purchase of investments		-		(47,700,000)	
Investment income received		32,218,673		29,629,124	
<b>Net cash generated from/(used in) investing activities</b>			32,218,673		(18,070,876)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			11,525,683		11,708,070
Cash and cash equivalents at beginning of year			89,356,627		77,648,557
<b>Cash and cash equivalents at end of year</b>			100,882,310		89,356,627
<b>Relating to:</b>					
Cash at bank and in hand			1,866,412		8,954,601
Short term deposits included in current asset investments			90,096,248		76,264,256
Cash balances held in investment portfolio			8,919,650		4,137,770

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2022

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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, Wales, CF23 8AB.

#### 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 2022

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### 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 2022

### 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.

### 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

	Total	Unrestricted funds
	2022	2021
	£	£
Donated shares	-	47,700,000

Donation relates to the donation of shares in Admiral Group plc. No shares were donated in 2022 shares (2021: 1,500,000). At the time of donation, these were worth £47,700,000 in 2021. 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
	2022	2021
	£	£
Dividend income	31,327,000	29,393,000
Bank and other interest received	891,673	236,124
	32,218,673	29,629,124

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

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### 5 Charitable activities

	2022 £	2021 £
Staff costs	69,950	59,819
Other costs	8,280	8,489
Governance costs - audit fees	3,654	3,919
	<hr/>	<hr/>
	81,884	72,227
Donations (note 6)	20,879,979	18,116,934
	<hr/>	<hr/>
	20,961,863	18,189,161
	<hr/> <hr/>	<hr/> <hr/>

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

	2022 £	2021 £
<b>Children &amp; Young People</b>		
Action for Children	35,000	50,000
Barnardo's	220,000	210,000
Canolfan Plant Jig-So Children's Centre	22,810	-
Children of the Mekong	30,000	-
Clybiau Plant Cymru Kinds Club	25,000	-
Duke of Edinburgh Award Scheme	-	29,995
Eagle House Youth Development CIC	-	59,000
Fishguard and Goodwick Young Persons Trist (POINT)	21,540	-
Home-Start Cymru for Families	-	274,781
Milford Youth Matters	-	25,000
NSPCC	500,000	500,000
Pontypridd YMCA	-	150,000
Save the Children	295,312	291,883
Senghenydd Youth Drop in Centre	-	36,000
Starlight Children's Foundation	-	40,000
Stephans & George Charitable Trust	35,000	35,000
Swansea Art Music Digital	25,000	25,000
The Aloud Charity	35,000	35,000
Valley Kids	-	137,000
Vine Youth	36,000	50,000
Youth Shedz Limited	-	28,000
	<u>1,280,662</u>	<u>1,976,659</u>
<b>Education</b>		
Cadoxton Primary School	45,000	-
College Bound (A Million Stars)	38,954	37,261
Empower-Be The Change	34,356	-
Hilltop Schools Inc	-	111,668
INSEAD	107,450	115,303
Place2Be	160,580	-
Plan International UK (Wales)	293,442	-
RESOLVEit CIO	160,000	151,500
Stay at School	30,000	-
Tape Community Music & Film	30,604	-
University of Michigan	93,496	82,758
UWC Atlantic College	253,500	229,000
	<u>1,247,382</u>	<u>727,490</u>
<b>Environment</b>		
BBC Studios	999,777	1,000,713
Cynnal Cymru - Sustain Wales	24,000	9,399
Earth Restoration Alliance dba Global Choices	313,258	149,197
Giraffe Conservation Foundation (\$100,000)	83,986	73,443
Global Feedback Ltd	35,000	-

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

(Continued)

	2022	2021
	£	£
Greenpeace UK	500,000	150,000
Grow Cardiff	35,637	29,873
International Animal Rescue	100,000	-
Manor Wildlife Park	-	50,000
Mount Elgon Foundation	30,000	-
National Zoological Society of Wales	-	50,000
Oceana Inc	250,000	250,000
Save the Children Green Climate Fund Ethiopia	116,667	-
Surfers Against Sewage	100,000	30,000
The Orchard Project	92,697	88,456
The Wildlife Trust of South and West Wales	-	50,000
The Woodland Trust	47,950	-
WWF - UK	257,197	127,400
	<u>2,986,169</u>	<u>2,058,481</u>
<b>Health</b>		
Alzheimer's Society	-	59,000
AP Cymru - The Autism Charity	-	41,452
Aspire	32,000	31,081
Auditory Verbal UK	-	34,905
Brainstrust	25,000	-
Brecon and District Mind	-	40,000
Bridgend Carers Centre	35,000	29,000
British Heart Foundation	100,000	113,000
Centre of Sign-Sight-Sound	-	29,727
Cerebra	23,436	-
Cerebral Palsy Cymru	97,275	72,151
Conwy Mind	26,182	42,987
Cruse Bereavement Support Cymru	53,065	61,686
Dementia UK	25,000	25,000
Elton John Aid Foundation (EJAF)	50,000	50,000
Hospice of the Valleys	39,100	28,040
Hywel Dda Health Charities - Bronglas Chemo Unit	300,000	-
Inspiring Hope (Inspire Merthyr)	25,000	25,000
KIM Inspire	25,500	23,000
Macmillan Cancer Support	200,000	110,000
Maggie's Centre	62,000	57,000
Mental Health Football in Wales	25,000	14,130
Mid & North Powys Mind	75,805	10,897
Mind Monmouthshire	-	25,000
Mind Neath Port Talbot	-	33,815
Moondance Cancer Initiative	1,445,000	746,000
Multiple Sclerosis Trust	-	53,000
Nightingale House Hospice	25,000	28,749
North Wales Recovery Communities	-	21,840
PreventEd (formally NCADA)	38,948	37,277
Ray of Light Wales Cancer Support	-	35,626
Recovery Cymru Community	-	23,892



# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

(Continued)

	2022	2021
	£	£
Rowan Tree Cancer Centre	50,000	50,000
Royal Osteoporosis Society	25,000	25,000
St David's Hospice Care (N Wales)	-	39,078
St John Ambulance Cymru	70,077	42,308
St Kentigern Hospice	50,000	100,000
Steps2Recovery	40,000	40,000
Teenage Cancer Trust	49,109	46,500
Tenovus Cancer Care	-	105,000
The Autism Directory	-	24,000
The END Fund (\$1,000,000)	840,054	730,066
The Fatham Trust	31,500	-
The Hydration Foundation	25,000	-
Touch Trust	-	24,616
Ty Ellis	27,078	
Ty Hafan	30,000	41,000
Ty Hapus CIO	100,000	100,000
Velindre University NHS Trust	30,000	-
Wales Air Ambulance	35,000	-
Yab Group Ltd - The Yab Hub - Wrexham	36,000	
	<u>4,167,129</u>	<u>3,270,823</u>

#### Causes in Wales

Aber Food Surplus	-	36,400
Aberystwyth University - Dewis Choice	-	105,000
Accessibility Powys	-	24,460
Action for Elders Trust	50,000	50,000
Age Cymru Powys	-	33,920
Age Cymru West Glamorgan	-	31,064
Arts & Business Cymru	50,000	50,000
Arts Factory (RCT)	30,000	-
Atal Y Fro	-	38,338
Awel Aman Tawe	100,000	-
Baobab Bach CIC	134,853	-
Benefice of Upper Islwyn	-	34,261
Boomerang Cardiff	-	233,000
Breacon Mountain Rescue Team	50,000	
Bridge The Gap for BAME Community (Daughters of the King)	-	28,742
British Red Cross	91,321	-
Bridgend Carers Centre	-	-
Caerau Development Trust	-	30,620
Calan Domestic Violence Services	-	44,636
Cambrian Village Trust Ltd	-	46,600
Can Cook	96,050	167,000
Canolfan Gymunedol Ystradowen Community Centre		
CGYCC	-	22,072
Canolfan Pentre CIO	30,000	38,680

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

(Continued)

	2022	2021
	£	£
Cardiff Women's Aid	64,138	43,154
Carers Trust Crossroads West Wales	34,937	9,000
Chapter Cardiff Ltd	30,000	30,000
Citizens Advice Caerphilly Blaenau Gwent	-	26,359
Citizens Advice Cardiff and Vale	-	62,367
Citizens Advice Cymru	926,846	-
Clore Social Leadership	-	30,000
Community Foundation Wales (Nation of Sanctuary Croeso Fund)	50,000	-
Cwmni'r Fran Wen	49,198	-
Cyngor ar Bopeth Cylch Conwy District Citizens Advice Bureau	-	22,970
Cyngor ar Bopeth Powys Citizens Advice	21,188	28,375
Dal Dy Dir	-	22,210
Dewis Choice (Aberystwyth University)	90,612	-
Dogs Trust	99,997	47,023
Domestic Abuse Safety Unit North Wales (DASU)	49,890	49,890
Emmaus South Wales	26,520	-
Enfys Foundation	-	25,000
Follow Your Dreams	-	7,275
Food Redistribution Wales Ltd T/A FareShare Cymru	121,050	123,000
Food Cycle	30,000	15,329
FoodShare North Wales CIC	-	34,000
Galeri Caernarfon Cyf	25,000	25,000
Gisda	-	50,000
Goldies Cymru	62,500	75,900
Gwasanaeth Cynnal Gofalwyr/ Carers Outreach Service	-	43,382
Hafan Cymru	30,000	1,000
Hafren Theatre (part of the NPTC Group of Colleges)	-	35,000
Hay Castle Trust	-	150,000
Hope Ministries Cwmbran	8,000	25,000
Horn Development Association CIC	25,000	28,000
Huggard	240,000	126,401
Islwyn Minstry Area - Rhymney Foodbank	37,000	-
Kings Church: Jesus Cares Project	200,000	-
Live Music Now Wales	-	21,320
Llamau	75,659	75,659
Manage Money Wales CIC	25,979	-
Montgomeryshire Family Crisis Centre	-	37,889
Music in Hospitals & Care	-	58,751
Nantymoel Amateur Boxing Club	-	30,000
National Literacy Trust	-	24,970
Neuadd Goffa Penmachno (Penmachno Village Institute)	-	25,000
New Pathways	-	82,411
NoFit State Circus	-	60,000
NW Nappy Collaborative CIC	28,000	-
Oasis Cardiff	-	33,750
Parish of Porthkerry, Rhose & Penmark	-	30,000
Parish of St Thomas and Kilvey	-	30,802

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

(Continued)

	2022	2021
	£	£
PAVO (Powys Association of Voluntary Organisations)	24,180	47,013
Pembrokeshire Fream	39,236	-
People and Work Unit	35,000	28,500
Phoenix Domestic Abuse Services	56,720	42,277
Poppy Factory RBL	-	43,738
Port Talbot and Afan Women's Aid (Thrive Women's Aid)	-	26,381
PRIME Cymru	140,000	50,000
PTAWA Enterprise Ltd (Thrive Group Wales)	-	22,440
Purple Shoots	240,000	250,000
RASASC, North Wales	29,960	30,000
RCS (Rhyl City Strategy)	-	71,336
RCT Domestic Abuse Services	25,000	
Relate	52,818	52,818
Resolven Building Blocks	-	25,353
Safer Merthyr Tydfil	24,182	27,725
Safer Wales	150,000	125,000
Shared Lives Plus	46,414	-
Sherman Theatre	40,170	-
Social Firms Wales	-	30,000
Span Arts	-	24,500
Spectacle Theatre Ltd	-	28,543
Sported Foundation	50,000	40,000
St David's Diocesan Council for Social Responsibility:		
Plant Dewi	-	37,032
St Giles Trust	-	25,686
St Gwladys Church Hall	26,000	-
Street Football Wales	40,000	-
Struggles 2 Smile	24,000	-
Support Through Court	35,000	10,000
Swansea Women's Aid	-	58,243
TCC (Together Crating Communities/Trefnu Cymunedol Cymru)	24,000	-
The Armed Forces Bikers Veterans Charity	-	30,000
The Big Issue	69,398	194,350
The Biscuit Fund	-	45,000
The Bridge Mentoring Plus Scheme	-	38,396
The Community Cafe ( affiliated to Father's place )	-	23,980
The Costar Partnership	36,000	-
The Gathering Place	23,000	20,000
The Hwb Torfaen	-	25,200
The Old Mill Foundation	-	15,000
The Queens Hall Narberth	-	33,072
The Royal British Legion Poppy Factory	44,683	-
The Springboard Charity & Springboard UK	-	22,500
Theatre Clwyd	1,500,000	-
Theatre Development Trust - THEATRE ARTISTS FUND	36,000	68,000
Threshold DAS	54,006	-
Trussell Trust	455,000	-
Tumble Family Centre	-	23,352

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

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6	Donations		(Continued)
	Twynyrodyn Community Hub	-	54,050
	Urdd Gobaith Cymru	-	24,000
	ValePlus Cymru and Vale Extra	30,000	6,600
	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	104,374	24,300
	Wallich Clifford Community	292,287	150,000
	Welsh Housing Aid (t/a Shelter Cymru)	-	49,924
	Welsh Refugee Council	-	25,000
	YHA (England and Wales)	-	48,558
		<hr/>	<hr/>
		6,781,166	4,783,013
		<hr/>	<hr/>

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 6 Donations

(Continued)

	2022 £	2021 £
<b>International development and humanitarian aid</b>		
Mary's Meals	750,000	750,000
Plan International	626,440	626,440
Unicef (Madagascar Eco-Village)	399,330	-
Welsh Aid for Ukraine (WAFU)	85,000	-
	<u>1,860,770</u>	<u>1,376,440</u>
	2022 £	2021 £
<b>Other</b>		
California Coalition of Rural Housing	-	110,197
The INSP Foundation (International Network of Street Papers)	100,000	50,000
The Freedom Fund US	1,000,000	1,000,000
Less than £20,000 each	1,456,701	2,763,832
	<u>2,556,701</u>	<u>3,924,029</u>
<b>Total</b>	<u>20,879,979</u>	<u>18,116,934</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

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>1</u>	<u>1</u>
<b>Employment costs</b>	2022 £	2021 £
Wages and salaries	65,733	57,760
Social security costs	4,217	2,059
	<u>69,950</u>	<u>59,819</u>

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 8 Employees

(Continued)

#### Key management personnel

The total amount paid to key management personnel for their services to the charity during the year totalled £69,950 (2021: £59,819).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
60,000 - 70,000	1	-

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

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Revaluation of investments	(124,754,000)	8,555,000

### 10 Other gains or losses

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Foreign exchange gains/(losses)	93,839	(339,014)

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

### 11 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 December 2021	396,238,000	4,137,770	400,375,770
Valuation changes	(124,754,000)	-	(124,754,000)
Dealing account	-	4,782,594	4,782,594
At 30 November 2022	271,484,000	8,920,364	280,404,364
<b>Carrying amount</b>			
At 30 November 2022	271,484,000	8,920,364	280,404,364
At 30 November 2021	396,238,000	4,137,770	400,375,770

A significant proportion of the portfolio held consists of 13,400,000 shares (2021: 13,400,000) in Admiral Group plc, donated to the charity at a value £250,079,627 (2021: £250,079,627). This equates to approximately 4.47% (2021: 4.47%) 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	2022 £	2021 £
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	361,580,248	472,502,256

13 Debtors	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Other debtors	216,250	216,250

Contained in other debtors above are amounts due within more than one year totalling £87,750 (2021: £87,750).

14 Current asset investments	2022 £	2021 £
Listed investments	90,096,248	76,264,256

# MOONDANCE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2022

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

	2022 £	2021 £
Accruals	594,547	419,513

### 16 Related party transactions

The charity holds 13,400,000 shares (2021: 13,400,000) 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.

In the prior year, Diane Briere de l'Isle-Engelhardt donated 1,500,000 shares in Admiral Group plc. No shares were donated in 2022. At the time of donation, the value of the shares was £47,700,000. 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 £160,000 (2021: £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 £50,000 (2021: £50,000) to Arts & Business Cymru, where Louisa Scadden holds the position of trustee.

During the year, the charity donated £nil (2021: £62,367) to Cardiff & Vale Citizens Advice Bureau where Louisa Scadden holds the position of trustee.

Moondance Cancer Initiative has common directors. The charity donated £1,445,000 (2021: £746,000) during the year to the company.

### 17 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(113,497,190)	67,694,963
Adjustments for:		
Investment income recognised in statement of financial activities	(32,218,673)	(29,629,124)
Foreign exchange differences	93,839	(339,014)
Fair value gains and losses on investments	124,754,000	(8,555,000)
Movements in working capital:		
(Increase)/decrease in debtors	-	242,000
Increase in creditors	175,034	365,121
<b>Cash (absorbed by)/generated from operations</b>	<b>(20,692,990)</b>	<b>29,778,946</b>

### 18 Analysis of changes in net funds

The charity had no debt during the year.