

Charity registration number 1197386

Company registration number 13515955 (England and Wales)

JERWOOD FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

JERWOOD FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Alan Grieve CBE
Lara Wardle
Tara Mayhew
Philippa Campbell
Rupert Tyler (Chairman) (Appointed 7 November 2023)

Lucy Ash (Appointed 7 November 2023)

Katharine Goodison (Appointed 7 November 2023)

Christopher King (Appointed 7 November 2023)

Miranda Thompson-Schwab (Appointed 7 November 2023)

Juliane Wharton (Appointed 7 November 2023)

Charity number

1197386

Company number

13515955

Registered office

Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Auditor

Ellacotts Audit Services Limited
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Bankers

Natwest
15 Bull Ring
Ludlow
West Midlands
SW8 1AG

JERWOOD FOUNDATION

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JERWOOD FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

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

The governing document states that the object of Jerwood Foundation is the advancement of education of the public in the appreciation of art including making art available to the public in such museums, art galleries and other such buildings or institutions as the Directors shall agree from time to time; and such other charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

The main activity to further Jerwood Foundation's purpose is loaning works from the Jerwood Collection and the making of grants to enable visual or performing art to be made available for public benefit.

Public benefit

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

Activities

During the year Jerwood Foundation loaned works to exhibitions including: *Postwar Modern: New Art in Britain 1945-1965* (Barbican Art Gallery, London); *Eileen Mayo: A Natural History* (Towner, Eastbourne); *Living the landscape: Barbara Hepworth, Ben Nicholson and the artists of St Ives 1939-1975* (Museum Belvédère, Heerenveen-Oranjewoud, Netherlands); *A Life in Art: Lucy Wertheim – Patron, Collector, Gallerist & Reuniting the Twenties Group: From Barbara Hepworth to Victor Pasmore* (Towner, Eastbourne); *Glyn Philpot: Flesh and Spirit* (Pallant House Gallery, Chichester); *The Return* (Kingsgate Project Space, London); and *Sussex Landscape: Chalk, Wood and Water* (Pallant House Gallery, Chichester).

In addition to these loans to exhibitions, we also have works on long-term loan including *Crucifixion* by Craigie Aitchison RA, which on public display in Hereford Cathedral.

During the year Jerwood Foundation has acquired key works for the Jerwood Collection, which have expanded and enriched our holding of 20th and 21st century British art and including works by Vanessa Bell, Tracey Emin RA, Lucian Freud, Charles Ginner ARA, Patrick Heron, Kim Lim and Dame Ethel Walker ARA.

We also received a donation of three works by Anthony Whishaw RA and one work by Jean Gibson (1927-1991), which were generously given to Jerwood Foundation by Anthony Whishaw RA and his family.

Jerwood Foundation paid out grants totalling £74,870 during the financial year, which supported projects including: *Selfless*, an exhibition of photographs by Jessica Van der Weert documenting the lives of health and care staff at the height of Covid (Royal College of Physicians, Liverpool and London); Scherzo Ensemble, a professional development platform for young singers who have recently completed their training; Glyndebourne Pit Perfect concerts and workshops; Oxford Lieder 2022 song recital festival; Jerwood Contemporary Arts Programme at Natural History Museum to support an exhibition, *The Lost Rhino*, curated by Alexandra Daisy Ginsberg; Trinity Laban for the Jerwood International Chair of Violoncello and Chamber Music; Persona Arts for their Flying Dutchman opera project; and Tracing Movement for *START UP/Pas De 1,2,3,4 Queer Ballet*.

Grant making policy

Grant making policy

The Trustees meet quarterly to consider applications and submissions received.

The focus of our grant making is on the promotion of the arts for the public benefit.

JERWOOD FOUNDATION

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

FOR THE YEAR ENDED 31 MARCH 2023

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

Significant activities and achievements against objectives

During the year Jerwood Foundation received assets from Jerwood Holdings Limited including an investment portfolio (value on 29 April 2022 £19,133,196) and the Jerwood Collection (value on 3 May 2022 £9,613,870). In addition Jerwood Foundation received a generous donation in April 2022 from a private benefactor of investments with a value of £5,015,240.

Loaning Jerwood Collection works to exhibitions both nationally and internationally has enabled wide public access to the Collection. For example, *Postwar Modern: New Art in Britain 1945-1965* at Barbican Art Gallery, London, which included Dame Elisabeth Frink's *Harbinger Bird I*, 1961, from Jerwood Collection, explored art made in Britain in the aftermath of the Second World War and received over 55,000 visitors. Also during the year, we loaned three works to Museum Belvédère in the Netherlands who staged an exhibition *Living the landscape: Barbara Hepworth, Ben Nicholson and the artists of St Ives 1939-1975*, which attracted 22,500 visitors.

Grants that were awarded enabled a wide benefit to beneficiaries as well as society as a whole. The Natural History Museum welcomed 260,634 visitors to The Lost Rhino exhibition; 13,336 visitors attended the Royal College of Physicians exhibition *Selfless* in London; Glyndebourne's Pit Perfect Scheme is a unique programme where young recently graduated instrumentalists join the Glyndebourne Sinfonia, gaining their first professional operatic experience; and the grant to Scherzo Ensemble enabled Principal and Chorus roles for early career performers.

Financial review

The total income for the year was £34,139,464. This was made up to £33,780,586 from donations, £358,777 from investments and £101 in royalties received..

Total expenditure for the year was £659,389 which includes £423,520 of grants to organisations and £30,608 related to Jerwood Collection costs.

We recorded a net surplus of £32,780,408 and thus total funds held for the year were £32,780,408, all of which was unrestricted.

Going concern

Reserves policy

The Trustees have given due consideration to the performance of the investment portfolios as well as the outgoings and future commitments and have a reasonable expectation that Jerwood Foundation has adequate resources to continue in operational existence for the foreseeable future. There are therefore no material uncertainties about Jerwood Foundation's ability to continue as a going concern.

Reserves policy

Jerwood Foundation is able to spend capital from both its portfolios and income generated entirely without condition. The current strategic aim adopted by the Trustees is to maintain the original capital value of the portfolios so far as possible and not to deplete it for general funding purposes except in unusual circumstances.

The Trustees have agreed that it is prudent to maintain reserves for the following reasons:

- To ensure Jerwood Foundation has sufficient income and funds to meet existing and future commitments, notwithstanding any deterioration in the financial markets;
- To ensure Jerwood Foundation has sufficient funds to meet operational costs in those same circumstances, or due to other unexpected adverse events.

JERWOOD FOUNDATION

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

FOR THE YEAR ENDED 31 MARCH 2023

The balance of both portfolios as at 31 March 2023 amounted to £21,944,791.

On the basis of the balance of the portfolios and a policy of monitoring liabilities regularly, it is the Trustees view that the reserves available are sufficient to fulfil their policy as set out above.

Total funds held by the charity at 31 March 2023 were £32,780,408. After deducting fixed assets held the level of free reserves was £1,123,696.

Investment policy

Investment policy

There are no restrictions on Jerwood Foundation's powers to invest. The Trustees investment policy is to achieve long-term capital growth balanced with achieving the income needed to support Jerwood Foundation's grant-making goals, and throughout 2022 the total return target was CPI+3% for the year. Funds continue to be managed by investment managers: Waverton Investment Management Ltd and Dowgate Wealth.

Major risks

Principle risks

The major risks are discussed in Trustee meetings. Part of the regular process of reviewing the organisation's procedures to manage and mitigate risk. The impact of inflation and rising costs on the Foundation and its operating environment are the main areas for risk factors. The Trustees are satisfied that procedures are in place to mitigate exposure.

Plans for future periods

The purpose of the Jerwood Collection is to enhance the understanding and enjoyment of 20th and 21st century British art. To fulfil this purpose Jerwood Foundation will continue to make the Jerwood Collection available for public display as well as continuing to acquire new works when it is felt that they will enhance the quality and diversity of the Collection.

Loans have already been confirmed for future exhibitions including: *Saint Francis* (National Gallery, London) and a group of 11 Jerwood Collection works to *Dutch Flowers* (Sheffield Museums).

In addition to these loans, Jerwood Foundation has announced a three-year collaboration with Arnolfini Gallery, Bristol, which will draw on Jerwood's extensive collection of modern and contemporary British art to bring to life Arnolfini's exhibition archive in an annual exhibition. Working with Arnolfini's university partner University of the West of England (UWE), the project will offer an opportunity for an MA Curating student (on placement) to delve into Arnolfini's past exhibitions alongside Jerwood's collection. This important project, which is supported with a grant from Jerwood Foundation, will open up shared histories for Arnolfini's audiences and develop research and access to Jerwood Collection. It will provide practical experience for students, and develop opportunities for learning, creativity, research and the enjoyment of art.

Future grants in the visual and performing arts that have been confirmed include grants to:

- Trinity Laban: second year of a three-year grant to Jerwood International Chair of Violoncello and Chamber Music; and first year of a two-year grant to Trinity Laban String Ensemble: Jerwood Concerts and Tour;
- Scherzo Ensemble;
- Glyndebourne Jerwood Pit Perfect Programme, first year of a three-year grant;
- Paintings in Hospitals restoration grant, first year of a two-year grant;
- Oxford Lieder festival, first year of a two-year grant;
- Messums 4X20 Choreography Platform.

JERWOOD FOUNDATION

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

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The company is governed by its Articles of Association which established the objects and powers of the charitable company. The Directors are its Trustees for the purposes of charity law. In this report and collectively referred to as the Trustees.

The charity is a company incorporated in England and Wales with Company Number 13515955 and a Registered UK Charity Number 1197386.

The Trustees, who are also the Directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Alan Grieve CBE	
Lara Wardle	
Tara Mayhew	
Philippa Campbell	
Rupert Tyler (Chairman)	(Appointed 7 November 2023)
Lucy Ash	(Appointed 7 November 2023)
Katharine Goodison	(Appointed 7 November 2023)
Christopher King	(Appointed 7 November 2023)
Miranda Thompson-Schwab	(Appointed 7 November 2023)
Juliane Wharton	(Appointed 7 November 2023)

Recruitment and appointment of trustees

New Trustees are appointed by ordinary resolution by the Charity Members or the existing Trustees and are selected on the basis of their expertise and knowledge of the Foundation's activities.

None of the Trustees has any beneficial interest in the company. Two of the Trustees, being Alan Grieve and Lara Wardle, are members of the company and guarantee to contribute £10 in the event of a winding up.

Organisational structure

The Foundation direction and grant decisions are agreed by the Trustees. Day to day operations and management are undertaken by the Executive Director.

Induction and training of trustees

New Trustees undergo an induction process when they are fully briefed on the activities of the Foundation. They are also guided through the decision-making processes, recent business plans and management reports and are provided with copies of the relevant documentation.

Other matters

Annual remuneration reviews are in December and recommendations made to the Board for approval.

One Trustee receives a fee for the services provided (the Executive Director). No other Trustee receives a fee. The Executive Director is not involved in setting their own remuneration, which is determined by the remaining non-conflicted Trustees.

JERWOOD FOUNDATION

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

FOR THE YEAR ENDED 31 MARCH 2023

Relationships with third parties

During the period 1 April 2022 to 31 March 2023, there were three UK organisations within the Jerwood group: Jerwood Foundation, Jerwood Charity, and Jerwood Space. All three organisations have a shared vision to support, nurture and reward excellence and dedication in the visual and performing arts.

A separate legal entity, Jerwood Limited provided, developed and undertook advisory and consultancy services to the organisations with the Jerwood group.

During the year: Lara Wardle (Trustee, Jerwood Foundation) was also a Director of Jerwood Space and Jerwood Limited; Alan Grieve (Trustee, Jerwood Foundation) was also a Director of Jerwood Limited.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Jerwood 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.

Auditor

In accordance with the company's articles, a resolution proposing that Ellacotts Audit Services Limited be reappointed as auditor of the company will be put at a General Meeting.

Energy and carbon report

As the charity has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

JERWOOD FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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

Rupert Tyler
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Rupert Tyler (Chairman)
Trustee

10/12/2023 | 14:40 GMT
Date:

JERWOOD FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF JERWOOD FOUNDATION

Opinion

We have audited the financial statements of Jerwood Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

JERWOOD FOUNDATION

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

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

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), We exercise professional judgment and maintain professional scepticism throughout the audit. We also performed the following procedures:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including thorough testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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.

Use of our report

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

JERWOOD FOUNDATION

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

David Stevens

David Stevens BA FCA (Senior Statutory Auditor)
for and on behalf of Ellacotts Audit Services Limited

Chartered Accountants
Statutory Auditor
Countrywide House
23 West Bar Street
Banbury
OX16 9SA
England
OX16 9SA

11/12/2023 | 11:00 GMT
Date:

JERWOOD FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Donations and legacies	3	33,780,586	-
Investments	4	358,777	-
Other income	5	101	-
Total income		<u>34,139,464</u>	<u>-</u>
Expenditure on:			
Raising funds	6	75,200	-
Charitable activities	7	584,189	-
Total expenditure		<u>659,389</u>	<u>-</u>
 Net losses on investments	 12	 (699,667)	 -
Net income and movement in funds		<u>32,780,408</u>	<u>-</u>
Reconciliation of funds:			
Fund balances at 1 April 2022		-	-
Fund balances at 31 March 2023		<u><u>32,780,408</u></u>	<u><u>-</u></u>

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

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

JERWOOD FOUNDATION

BALANCE SHEET AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		583		-
Heritage assets	15		9,711,338		-
Investments	16		21,944,791		-
			<u>31,656,712</u>		<u>-</u>
Current assets					
Debtors	17	17,820		-	
Cash at bank and in hand		1,487,532		-	
		<u>1,505,352</u>		<u>-</u>	
Creditors: amounts falling due within one year	18	188,656		-	
		<u>188,656</u>		<u>-</u>	
Net current assets			1,316,696		-
Total assets less current liabilities			32,973,408		-
Creditors: amounts falling due after more than one year	19	(193,000)			-
		<u>(193,000)</u>		<u>-</u>	
Net assets			<u>32,780,408</u>		<u>-</u>
The funds of the charity					
Unrestricted funds			32,780,408		-
			<u>32,780,408</u>		<u>-</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 10/12/2023 | 14:40 GMT

Rupert Tyler

Rupert Tyler (Chairman)
Trustee

Company registration number 13515955 (England and Wales)

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Jerwood Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Countrywide House, 23 West Bar, Banbury, Oxfordshire, OX16 9SA, England.

1.1 Reporting period

The financial statements are presented for the 12 month period from 1st April 2022 to 31st March 2023.

The charitable company was incorporated on 16 July 2021 at Companies House and as such the prior period spans from incorporation to 31 March 2022.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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. The principal accounting policies adopted are set out below.

1.3 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.

1.4 Charitable funds

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Designated Funds are amounts which have been put aside out of general unrestricted funds at the discretion of the Trustees.

Restricted Funds are those which are given for particular purposes as specified by their donors. The Foundation has one restricted fund which represents the original donation to acquire the Jerwood Collection.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has been or will be made such income is grossed up for the tax recoverable.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Investment income is accounted for when receivable and is stated gross of any reclaimable taxation relief

1.6 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	2 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Heritage assets

The Art Collection falls within the definition of 'Heritage Assets' under FRS 102 and the Charities SORP. Heritage assets are stated at cost or estimated market value if donated, unless a reliable estimate cannot be made/the cost of valuation is likely to exceed the benefits provided by the information, and are not subject to depreciation. Impairments in the carrying value of heritage assets are recognised if they have suffered physical deterioration or doubts arise as to their authenticity. The Art Collection is reviewed each year in order to assess whether any overall impairments are necessary.

1.9 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.

1.10 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.11 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.

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

1.13 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.

1.14 Retirement benefits

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

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	33,780,586	-
Donations and gifts		
Donations from individuals	5,033,520	-
Donations from Jerwood Holdings Limited	28,747,066	-
	33,780,586	-

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	358,777	-

5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Royalties	101	-

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Raising funds

	Unrestricted funds	Total
	2023 £	2022 £
Investment management fees	75,200	-
	<u>75,200</u>	<u>-</u>

7 Expenditure on charitable activities

	Jerwood Collection 2023 £	Grant Making 2023 £	Total 2023 £
Direct costs			
Grants to organisations	-	423,520	423,520
Donations	-	1,000	1,000
Storage and technical support	21,979	-	21,979
Insurance	4,086	-	4,086
Transport	4,039	-	4,039
Copyright	365	-	365
Books	139	-	139
	<u>30,608</u>	<u>424,520</u>	<u>455,128</u>
Share of support and governance costs (see note 9)			
Support	102,639	-	102,639
Governance	26,422	-	26,422
	<u>159,669</u>	<u>424,520</u>	<u>584,189</u>
Analysis by fund			
Unrestricted funds	<u>159,669</u>	<u>424,520</u>	<u>584,189</u>

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Grants payable

	Grant Making 2023 £	2022 £
Grants to institutions:		
Scherzo Ensemble	39,650	-
Oxford Lieder	1,000	-
Royal College of Physicians	15,370	-
Glyndebourne	192,000	-
Trinity Laban	65,000	-
Natural History Museum	30,000	-
Persona Arts	1,000	-
Tracing Movement	3,000	-
Arnolfini	16,500	-
Paintings in Hospitals	20,000	-
Oxford Song	30,000	-
Choreography Platform Festival of Dance	10,000	-
	<u>423,520</u>	<u>-</u>

9 Support costs allocated to activities

	2023 £	2022 £
Staff costs	84,521	-
Depreciation	194	-
Travel and subsistence	4,734	-
Office running costs	4,341	-
Insurance	1,543	-
IT and subscriptions	3,642	-
Legal and professional	3,600	-
Sundry expenses	64	-
Governance costs	26,422	-
	<u>129,061</u>	<u>-</u>
Analysed between:		
Jerwood Collection	<u>129,061</u>	<u>-</u>

Governance costs includes payments to the auditors of £9,000 (2022 - £nil) for audit fees.

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Trustees

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

One Trustee, Lara Wardle, has been paid for their work as Executive Director employed by the charity. Total remuneration for the year can be found in note 11.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	2	-
	<u>2</u>	<u>-</u>
Employment costs	2023 £	2022 £
Wages and salaries	72,583	-
Social security costs	7,826	-
Other pension costs	4,112	-
	<u>84,521</u>	<u>-</u>

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

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	54,180	-
	<u>54,180</u>	<u>-</u>

12 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	(699,667)	-
	<u>(699,667)</u>	<u>-</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Tangible fixed assets

	Computers £
Cost	
Additions	777
At 31 March 2023	777
Depreciation and impairment	
Depreciation charged in the year	194
At 31 March 2023	194
Carrying amount	
At 31 March 2023	583

15 Heritage assets

	Jerwood Collection £
At 1 April 2022	-
Purchases	79,278
Donated assets	9,632,060
At 31 March 2023	9,711,338

Heritage assets held consist of a collection of artwork. It is intended to remain a living collection by acquiring further works where the opportunity arises and where they are consistent with the themes of the collection.

Such items are not depreciated or revalued as a matter of routine as the assets are deemed to have indeterminable lives and it is not practical to revalue them each year.

Items from the Collection are regularly loaned to museums and galleries for Exhibition purposes and images are available to view online.

The collection is actively managed by the Collection Manager who supervises all loans, monitors the condition of the paintings and arranges for their conservation where necessary.

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2022	-
Additions	21,944,791
	<hr/>
At 31 March 2023	21,944,791
	<hr/>
Carrying amount	
At 31 March 2023	21,944,791
	<hr/> <hr/>
At 31 March 2022	-
	<hr/> <hr/>

17 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	17,820	-
	<hr/> <hr/>	<hr/> <hr/>

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,041	-
Grants payable	155,650	-
Other creditors	847	-
Accruals and deferred income	31,118	-
	<hr/>	<hr/>
	188,656	-
	<hr/> <hr/>	<hr/> <hr/>

JERWOOD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

19 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Grants payable	193,000	-

The trustees have accrued as a liability grant commitments that have been agreed. Although each grant is subject to an annual review, the likelihood is deemed to be that the grant will be paid so a full accrual for the commitment is made.

Movement in recognised grant commitments during the year	Charitable accrued £	commitments
Grant commitments recognised at the start of the year	-	
New grant commitments charged to the SoFA in year (see note 8)	423,520	
Grants paid during the year	(74,870)	
Amount of grant commitments recognised as at 31 March 2023	348,650	

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2023 £
General funds	-	34,139,464	(659,389)	(699,667)	32,780,408

21 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

A purchase of £11,179 was made on behalf of a trustee for health insurance. The full amount was repaid by the trustee in the period. The amount outstanding at the year end was £nil. The benefit to the trustee was deemed to be access to the premiums available to the charity. There was no cost to the charity.