

Registered number: 01255762
Charity number: 271370

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE FOUNDATION, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Trustees

Charles Asprey, (3)
Martin Barden
Sir Nigel Carrington, (1) (2) (5) (6)
Celia Olwen Clear, (1) (5) (6) (resigned 16 September 2021)
Leonard Dunne (appointed 8 June 2021)
William Thomas Edgerley, (1) (2) (6)
Antony Griffiths, (4) (5)
Courtney J Martin (appointed 8 June 2021)
Hammad Nasar (appointed 16 December 2021)
Pamela Raynor, (1) (2) (6)
Dr Lesley Sherratt, (1) (2) (appointed 8 June 2021)
Ella Snell (appointed 8 June 2021)
Peter Wienand MVO, (4) (5)

Committee Membership:

- (1) Finance & General Purposes Committee
- (2) Investments Committee
- (3) Grants Committee
- (4) Collections Committee, this committee did not meet in 2021; it is no longer required as a standing committee and was dissolved in 2022
- (5) Nominations Committee
- (6) Remuneration Committee

Company registered number

01255762

Charity registered number

271370

Registered office

Dane Tree House, Perry Green, Much Hadham, Hertfordshire, SG10 6EE

Executive

Director, Godfrey Worsdale OBE
Chief Operating Officer, Lesley Wake,
Head of Henry Moore Collections & Programmes, Sebastiano Barassi,
Head of Henry Moore Institute, Laurence Sillars,
Head of Marketing & Communications, Emily Dodgson
Head of Enterprise, Clare Tomlinson

Website

www.henry-moore.org

Independent auditors

Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

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FOR THE YEAR ENDED 31 MARCH 2022

Banks and Custodians

Lloyds Bank PLC, 23 North Street, Bishop's Stortford, Hertfordshire, CM23 2LN

Royal London Cash Management, 55 Gracechurch Street, London, EC3V 0UF

Royal Bank of Canada (Channel Islands) Limited, PO Box 194, 19-21 Broad Street, St Heller, Jersey, JE1 8PB

Nationwide Building Society, Nationwide House, Pipers Way, Swindon, SN38 1NW

Solicitors

HCR Hewitsons LLP, 50 60 Station Road, Cambridge, CB1 2JH

CMS Cameron McKenna LLP, Mitre House, 160 Aldersgate Street, London, EC1A 4DD

Investment adviser

Stanhope Consulting, a division of Stanhope Capital LLP, 35 Portman Square, London, W1H 6LR

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees of the Foundation (who are also directors of the Foundation for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Henry Moore Foundation (Foundation and Group) for the year ended 31 March 2022. The Trustees confirm that the Annual Report and Financial Statements of the Foundation and Group comply with the current statutory requirements, the requirements of the Foundation's governing document, the provisions of the Statement of Recommended Practice (SORP), applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019) effective January 2019.

AIMS, OBJECTIVES AND ACTIVITIES

Aims and Objectives

Henry Moore established his Foundation to advance the education of the public and encourage their appreciation of the fine arts, and in particular the works of Henry Moore.

The Foundation seeks to deliver this through the following core ambitions:

- Deepen and broaden the understanding and appreciation of the work of Henry Moore for both new and established audiences, nationally and internationally, through a programme of exhibitions and loans from the Foundation's collections;
- Lead the world in Moore scholarship and act as guardians of his home and collections;
- Maintain preeminence in the field of sculpture studies through the creation of a meaningful and balanced programme of exhibitions, displays, publications, events and research opportunities;
- Nurture and develop partnerships to increase the reach and resources of the Foundation;
- Support the advancement of sculpture by giving financial support to exhibitions, publications, research and acquisitions; and
- Promote and encourage public interest in Henry Moore and the work of the Foundation and build relationships with a range of audiences, nationally and internationally, to grow actual and virtual visitor numbers.

The aims are achieved through activities initiated, undertaken and supported by the Foundation: at Henry Moore Studios & Gardens, Perry Green, Moore's former home in Hertfordshire; the Henry Moore Institute in Leeds; across the UK, and internationally through touring exhibitions and loans; through the grants programmes; and through the innovative Yorkshire Sculpture International partnership project. These programmes and activities include collections and archives management, temporary exhibitions and displays; research and publications; education and workshops, and the awarding of grantaid to other suitable enterprises.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

GROUP STRATEGIC REPORT

Strategic Overview of the Year

The coronavirus pandemic continued to have a significant impact on public life and cultural activities into 2021/22. In spring 2021 England emerged from the last national 'lockdown' and museums and galleries were permitted to re-open in May 2022. In the following 10 months, the Foundation saw a gradual resumption of activities and return of audiences to the Henry Moore Institute; however there was a noticeable upturn of visitors to Henry Moore Studios & Gardens, where open air activity offered greater comfort for many.

The handful of Foundation employees who continued on the Government's Coronavirus Job Retention Scheme into the first few weeks of the year, all returned to work in the first quarter. There were no job losses as a result

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FOR THE YEAR ENDED 31 MARCH 2022

of the pandemic. The Foundation is grateful for the support of the Government's Coronavirus Job Retention Scheme (CJRS) and business rates relief; no other special grants or loans were claimed during the pandemic.

Following the resumption of activities, the Foundation refreshed the targets and outputs within its five year plan which sets out the programme of activities to deliver the organisation's charitable, artistic and financial objectives. The plan provides the guiding principles and key objectives for the Foundation's future activities and development; it was therefore important to incorporate learning from operations during the pandemic. Central to the five year plan are the key values: to embed race equality, diversity and inclusion into everything that we do; and to ensure our ambitions are sustainably resourced – both financially and environmentally. In the longer term, the Foundation continues to work to establish a more balanced financial model, with the aim of placing less reliance on its quasi-endowment and making the organisation more resilient and, therefore, more sustainable.

The programme of Henry Moore touring exhibitions that had originally been planned for spring/summer 2020, then postponed to 2021/22, was pushed forward again as partners adjusted their exhibition schedules. All venue partners retained their contractual commitments, but there were no touring exhibitions of the Henry Moore collections in the current year, though some individual loans continued. Exhibitions of Moore's work were presented at both venues in the year.

The exhibitions programme re-commenced at the Henry Moore Institute, where the programme continued to encourage and facilitate research into the history and practice of sculpture through online conferences, lectures and events.

The importance of collaboration remained centre stage in Yorkshire where the Henry Moore Institute and the Yorkshire Sculpture International partnership continued to broaden access to sculpture through a number of groundbreaking initiatives in online audience engagement. Mentoring networks for young sculptors, new commissioning opportunities and peerled learning groups focusing on diversity and inclusion were notable highlights.

The grants programme maintained its support for developments in sculpture and visual arts institutions and organisations whose projects are aligned with the Foundation's charitable objectives.

Through marketing and communications, the Foundation was successful in engaging with and developing an understanding of its audiences through social media and online visitor surveys, which will enhance the audience development strategy in future years. The positive advancements in digital communications and online activities made during the pandemic have been carried forward and become mainstays of daily operations and activities.

The Foundation's Race Equality Action Plan continued throughout the year and an organisation-wide programme of unconscious bias training was delivered in the year.

The Foundation has long been mindful of environmental concerns, having installed heat pumps in its larger buildings at Perry Green many years ago. However, given the exponential rise in energy costs since the autumn of 2021, the Environmental Action Plan, adopted in January 2021, has moved centre stage. Plans are in place to install solar panels on the roof of the Institute (subject to planning consent) and a solar/renewables feasibility study has been commissioned for Studios & Gardens.

Prior to the commencement of each financial year the annual budget is drawn up and approved by Trustees; performance is monitored through monthly management accounts. Delivery of the programme of activities and monitoring of the budget is delegated to the appropriate heads of teams, who report quarterly through the Executive to the Trustee Board. Given concerns about the rise in inflation and the cost of living, and not least the global changes since the pandemic, Trustees held a Strategy Review with the Senior Executive in March 2022 to consider the mid to longer term ambitions of the Foundation and ensure that core aims and ambitions were prioritised and resourced accordingly.

The Foundation relies on income from its quasi-endowment to cover the majority of its running costs, so the

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volatility of markets following the outbreak of the war in Ukraine and rising oil prices continues to be monitored carefully. The Foundation delivered on financial target for the year, while also making some planned savings to help mitigate the squeeze on finances in 2022/23 and beyond.

The Foundation does not fundraise in the traditional sense, so the effect of COVID-19 has not impacted on this type of income generation in the same way as in some other charities. Trading activities managed through HMF Enterprises (e.g. retail, catering, events and facilities hire) bounced back part way through the year (after 'lockdown') and contributed modest trading income.

In shaping the objectives and planning the Foundation's activities, Trustees have considered the Charity Commission's guidance on public benefit. Access to the programme is important and activities offered by the Foundation are available to members of the public and students. Entry to Henry Moore Studios & Gardens at Perry Green is by paid admission, with a range of concessionary tickets. Since the resumption of educational visits by schools, which are offered free of charge, bookings have been at capacity. Entry to the Henry Moore Institute in Leeds City Centre, including the library and prebooked visits to the archive of sculptors' papers, is free of charge.

Key financial performance indicators

Trustees have set targets for the performance of the investment portfolio and engage Stanhope Consulting to advise on the delivery of the investment strategy. Performance of the strategy is monitored quarterly by Trustees and the signed agreement with Stanhope Consulting sets out procedures to address actions where these may be required between committee meetings.

Status

The Foundation is registered as a charity (registration number 271370) and is not liable to UK taxation as it has no taxable activities. In the exercise of their powers, the Trustees have paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

For a full account of the Foundation's activities, readers are referred to the Foundation website (www.henry-moore.org). The following notes record the chief elements in the Foundation's programme during the year with particular reference to the accompanying financial statements.

REVIEW OF ACTIVITIES

Aim: To deepen and broaden the understanding and appreciation of the work of Henry Moore for both new and established audiences, nationally and internationally, through a programme of exhibitions and loans from the Foundation's collections

The Henry Moore Collections & Programmes department is responsible for the creation of a programme of exhibitions and displays at Henry Moore Studios & Gardens, in the UK and worldwide; and for creating educational materials and activities about Henry Moore to inspire and inform a wide range of audiences, both nationally and internationally.

Originally planned for the 2020 visitor season at Henry Moore Studios & Gardens but delayed by the pandemic, the exhibition *This Living Hand: Edmund de Waal Presents Henry Moore*, curated by the renowned artist and author Edmund de Waal, opened to the public in the Sheep Field Barn Gallery and Yellow Brick Studio from 19 May – 31 October 2021. An extensive display of sculptures was on display in the grounds when the outdoor spaces opened to the public in late March 2021.

The exhibition *Henry Moore: I Disegni dello Scultore* was shown at the Museo Novecento, Florence, from 16 January – 21 August 2021, extended by three months due to the pandemic.

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A small selection of Henry Moore sculptures, drawings and collages, titled *Henry Moore: Configuration*, was presented at the Henry Moore Institute 17 September 2021 – 23 January 2022.

Individual loans from the Foundation's collection were displayed in other exhibitions. They included: *Rubens to Sickert: James Anthony Betts and the Study of Drawing* at Reading Museum; *A Life in Art: Lucy Wertheim, Patron, Collector and Gallerist* at the Towner Art Gallery, Eastbourne; *MOTHER!* at Louisiana Museum of Modern Art, Humlebaek, and Kunsthalle Mannheim; *A Century of the Artist's Studio 1920-2022* at the Whitechapel Gallery, London; and *A World of Marble* at the Museum of Modern Art Aalborg.

Aim: To lead the world in Moore scholarship and act as guardians of his home and collections

Development of the Henry Moore archive and care of the collections and Moore's home are core to the Foundation's work. The archive team continued to add items to the bibliography database, digitise correspondence and images and handle a wide range of research and licensing enquiries. The archive's outreach programme and public events also resumed in full.

Henry Moore continues to be studied as part of the National Curriculum. After a year of suspended activity due to the pandemic, school visits and public events resumed at Henry Moore Studios & Gardens for the 2021 visitor season. The appointment of the Foundation's first Engagement Curator at Studios & Gardens in September 2021 led to the development of an Engagement Strategy and a period of research into audiences and a new public programme of activities and consultations with key constituents.

Two sold-out evening events with Edmund de Waal and Mary Moore were held to accompany the *This Living Hand* exhibition at Studios & Gardens. A symposium took place in October 2021 on Henry Moore and Pablo Picasso. The Foundation contributed to online events including lectures at the British Institute Florence, New York University Florence, Osher Institute - University of California, University of Palermo and Università Cattolica Milan. An essay by Sylvia Cox, Curator of Exhibitions at Studios & Gardens, was included in UNESCO's 75th anniversary publication celebrating its art collection.

Conservation work resumed in earnest after a pause during the pandemic. The reconfiguration of storage arrangements in the Foundation's main art store, and the photography, cataloguing and rehousing of approximately 900 lithographic plates is now nearing completion, as is the full inventory and rehousing of the unframed drawings. Conservation work on *Large Upright Internal/External Form* 1981-82 (LH 297a) and the plaster *Large Spindle Piece* 1968 (LH 593) was completed in March 2022.

Works by Henry Moore continued to be added to eMuseum, the online public access version of The Museum System available through the Foundation's website. 12,358 artwork records as well as 23,943 bibliographical records were available online by March 2022, and records for Henry Moore's Catalogue Raisonné have now been published up to 1984.

The activities of the Review Panel and Research Service also resumed in full. The Panel met twice, in May and October 2021, assessing 9 submissions for inclusion in the Henry Moore Catalogue Raisonné. During the year, 134 research enquiries were processed and approximately 160 email enquiries answered.

Aim: Maintain pre-eminence in the field of sculpture studies through the creation of a meaningful and balanced programme of exhibitions, displays, publications, events and research opportunities

The Foundation fulfilled its remit as a centre for the study of sculpture at the Henry Moore Institute. A scholarly programme of exhibitions and events was delivered, alongside working with higher and further education institutions. The Research Library was maintained and grew and the collections developed, while research was facilitated on the Leeds Museums and Galleries sculpture collections which encompass sculpture, works on paper and the Archive of Sculptors' Papers based at the Henry Moore Institute. New partnerships continued to be developed and new audiences fostered, particularly through the diversity of our exhibitions and research programmes, our enhanced digital content and the blended offer of our engagement programmes.

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Exhibitions in the period ranged from contemporary solo/duo presentations including *Rafael Pérez Evans: Handful* and *Julia Crabtree & William Evans: Slip* to historical presentations such as the thematic group exhibition *A State of Matter: Modern and Contemporary Glass Sculpture* and *Henry Moore: Configurations*, an in-focus display looking at rarely seen work by Moore. Alongside strong visitor numbers, our online programming continued to grow with exhibition films, in-conversations, conferences and talks securing engagement nationally and internationally.

Working with the Leeds Museums and Galleries sculpture collections, the Institute team continued to facilitate the acquisition of sculptures, works on paper and individual archive collections, through donation, purchase and fundraising endeavours. The team also supported the loan of individual works and archival material to museums in the UK and Europe. Researchers at all levels were actively encouraged to work with the collections.

The expansive research programme remained largely online and continued to offer conferences, symposia, lectures and panel discussions throughout the year. Opportunities were sought for closer collaboration with Leeds universities and through several new partnerships nationally for our continuing research seasons, each of which focuses on an important consideration of sculpture. The Institute continued its participation in the Leeds Visual Art Network, Culture Consortium Leeds, Art UK's The Sculpture Project and National Life Stories: Artists' Lives, and with Yorkshire Sculpture International partners.

The Foundation appreciates the financial commitment of Leeds City Council, and the partnership through which we manage the City's sculpture collection and its archive of sculptors' papers.

Aim: To nurture and develop partnerships to increase the reach and resources of the Foundation

The Foundation primarily delivers this aim through its work in the city of Leeds where it continues its longstanding partnership with Leeds Art Gallery and Leeds City Council. As a part of this relationship, the Henry Moore Institute provides in-depth curatorial work for the city's sculpture collections, which it continues to develop and research. In recent years, this partnership has been enhanced by the development of the Yorkshire Sculpture International (YSI) partnership, which has brought the Foundation into a more formal partnership with the Yorkshire Sculpture Park and the Hepworth Wakefield, as well as Leeds Art Gallery. The YSI partnership instantly became the UK's largest event celebrating sculpture. The Foundation is the lead partner with responsibility for overseeing the management of the project and is the accountable body financially. The project is supported with financial and in kind resources from all four partners, and is overseen by a steering group consisting of senior representatives from each partner. Following an initial major Arts Council England's (ACE) award, ACE has continued to support YSI with bridge funding towards the next iteration, which will now fall in 2024.

Furthermore, the Foundation continues to develop partnerships with the Contemporary Art Society, Art UK, Artist Rooms (Tate & National Galleries of Scotland), the Kenneth Armitage Foundation and the Art 360 Foundation. The Foundation also continues to develop university partnerships in the UK and overseas, most recently Yale University in the USA.

Aim: To support the advancement of sculpture by giving financial support to exhibitions; publications; research and acquisitions

The Foundation's Memorandum of Association, established by Henry Moore, states that one of the charity's core objectives is to "make donations to art galleries and museums and collections of all kinds". In acknowledgement of Henry Moore's legacy as a great sculptor, Trustees have chosen to focus the Foundation's Grants programme to support the advancement of sculpture. The grant making policy is to support exhibitions, exhibition catalogues, commissions, conferences, research, fellowships, publications, residencies and the development of collections through acquisitions, conservation, cataloguing and display.

The Foundation receives more requests for funds than it is able to support. All applications are considered by

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the Grants Committee, which meets quarterly. The committee consists of Trustees, members of the Executive team and a number of co-optees, all of whom are curators/art historians with a specialist knowledge in sculpture.

In 2021/22 the programme continued to support visual arts institutions and organisations whose projects are aligned with the Foundation's charitable objectives and grant making policy. The Grants Committee continued to monitor the needs of the sector and offered support where it can have most benefit. Two of the Foundation's new trustees; Dr. Courtney J. Martin and Hammad Nasar have joined the Committee, the former as an advisor and the latter as a sitting member.

In the year, Trustees approved a total of 77 grants to the value of £404,235 (including 1 Post-Doctoral Award). Through the provision of this financial support the Foundation continued to deliver its aim to support the advancement of sculpture.

Aim: To promote and encourage public interest in Henry Moore and the work of the Foundation and build relationships with a range of audiences, nationally and internationally, to grow actual and virtual visitor numbers

The Marketing & Communications department is responsible for promoting and encouraging public interest in sculpture and in the work of Henry Moore in particular. Targeted marketing strategies are devised, planned and implemented across a variety of disciplines and channels to attract audiences to the Foundation's two sites and research facilities and to raise awareness of the grants programme.

Henry Moore Studios & Gardens attracted 25,178 (2021: 15,823) visitors (paid admissions) during the open season. A record 1,639 visitors completed a visitor survey and continued to rate customer satisfaction as very high. Admission is free of charge to the Henry Moore Institute, where 19,718 (2021: 2,771) visitors were welcomed over the 32 weeks the Institute was permitted to open. The Friends scheme attracted 159 new members and 55 renewed members at Henry Moore Studios & Gardens. The Foundation's website saw a decrease in users: 130,525 (2021: 192,183). Social media followers grew by 17.4% in the year to 61,880 (2021: 52,705) across the organisation's Facebook, Twitter and Instagram platforms.

Total media circulation, reach and impressions for the year was estimated at thirteen and a half million pounds with 8% of coverage being national coverage, 16 % across the television network and 45% online coverage. Notable projects included a Henry Moore episode of the BBC's *Fake or Fortune?* which aired Wednesday 28 July 2021, the launch of our exhibition *This Living Hand* which saw coverage on Channel 4 News, BBC, Times Radio, BBC Radio 4 Today Programme, a four star review in *i* (the paper for today), BBC Look East, ITV News Anglia West and many more.

Supporters: Henry Moore Collectors' Circle

The Henry Moore Collectors Circle is an informal group of likeminded collectors who are passionate about the work and legacy of Henry Moore. The group was set up in spring 2019. It is anticipated that this group and the individuals within it will become supporters of the Foundation and its work. During the period of the pandemic, the Circle was suspended. It is our intention to re-establish the group in 2023.

Supporters: Volunteers

The Foundation is grateful for the unstinting efforts of its volunteers who are involved in administrative and archival duties (8), as gardeners (8) and in guiding schools and groups around Henry Moore's Studios and Gardens (20). Volunteer hours provided in this year are estimated at approximately 10,000. If this time is conservatively valued at £14 per hour, the volunteer effort amounts to £140,000 (2021: £13,000 due to pandemic closures).

Volunteers receive an induction and training; they are also required to enter into a formal signed agreement with

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the Foundation.

Equality, Diversity & Inclusion

The Foundation keeps its strategy on equality, diversity and inclusion (ED&I) under regular review, to ensure that ED&I is embedded into planning and programming. The Foundation is committed to making improvements in all aspects of its work, including the diversity of its people, operations and programmes, particularly in respect of race equality. Counter Culture was commissioned to deliver an organisation-wide programme of unconscious bias training to all employees and volunteers at both sites. A Race Equality Action Plan is in place to challenge inequality and address gaps. This is monitored every six months by the Senior Management Team and annually by the Board of Trustees.

Disability awareness training is delivered and/or refreshed each year for front of house employees. Following recent access improvements, disabled access has improved at the Institute, a listed building. Good disabled access exists at Studios & Gardens, with limitations in Hoglands, a sixteenth century listed building.

The Foundation aims to be trans-aware and seeks to reflect this in programming considerations and descriptive texts and nomenclature.

The Foundation is committed to actively learning and making improvements to welcome everyone to our venues and activities.

Safeguarding

The Foundation has a policy for safeguarding and the protection of children, young people and vulnerable adults. All publicfacing employees in particular are reminded of Safeguarding responsibilities, policy and procedures at annual training days. Employees are encouraged to speak up and feel comfortable raising concerns to line managers or HR. All employees and volunteer school group guides are DBS checked.

Due Diligence: Immunity from Seizure

The Henry Moore Foundation received Approved Status from the Department of Culture Media and Sport under Part 6, Section 136 of the Tribunals, Courts and Enforcement Act 2007 (Protection of Cultural Objects on Loan) on 4 September 2008.

The Foundation's exhibition programme, both at Perry Green and venues worldwide, draws on the collections gifted to it by Henry Moore, which have been augmented subsequently by gifts and acquisitions. In order to fulfil its exhibition programme the Foundation borrows work on a regular basis from institutions and private lenders in the UK and abroad. All lenders are requested to complete a Loan Form in order to satisfy due diligence procedures in accordance with the Foundation's ethical loans policy. Information on the provenance of the work is requested and the lenders are required to declare that they acquired the works by legitimate means, have legal ownership and are unaware of any third party claims. The Foundation also holds information on its database on all works by Henry Moore and provenance information is frequently updated on this system. The Catalogue Raisonné also provides a useful resource for curators to confirm the legitimacy of works. Once the Loan Form is completed by the lender it is kept on file in case of a future audit. All paper trails in the form of letters and emails are kept on file relating to provenance and ownership requests. The Curator is responsible for researching the provenance of the works at the beginning of the loans process and the Registrar is responsible for ensuring the Loan Form is satisfactorily completed by the lender.

Training is provided on Immunity from Seizure to relevant members of staff as required. The Foundation's due diligence policy and procedures continues to be implemented and the ethical loans policy adhered to through its exhibition programme, both when incoming loans are requested for exhibition and through its acquisition policy.

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Immunity from Seizure was not requested for any loans to the Foundation in the period 1 April 2021 to 31 March 2022.

Capital Expenditure

The installation of a new air source heat pump was completed at Longfield Barn, Perry Green. As this plant replaces the defunct ground source heat pumps, the cost of the original asset was disposed of in 2020/21.

FUTURE ACTIVITY

Following the years taken up with reactive management of the coronavirus pandemic, the Foundation now intends to move forward with a number of initiatives that have emerged, either as a result of the changing context, or strategic decisions developing from the formal Strategy Review undertaken with the Foundation's Senior Executive and its Board of Trustees largely because so much in the world had changed, rendering the existing five year plan somewhat out-dated.

It is hoped that at the Henry Moore Institute, there will be further investment in the fabric of the building, including a more welcoming reception and the addition of solar panels to the roof to assist with energy consumption. It is also hoped that in the next round of Arts Council England's National Portfolio investment cycle, the Foundation's partners in the Yorkshire Sculpture International collaboration will be given more formal and continuous funding to enable that partnership to continue to develop. It is also hoped that the recently appointed Digital Content Producer, based at the Institute, will continue to generate effective content to promote both venues going forward; enabling the Foundation to maximise its impact across all promotional platforms. It is planned to undertake a vision and masterplan study for the Leeds Headrow together with the Foundation's neighbours at this location: Leeds Art Gallery and Leeds Library.

Across both venues, the Foundation expects to see more focussed development in the areas of audience development and education. Having created positions at both sites to devote resources to learning and engagement, the Foundation is about to launch a new working group, made up of Trustees and executive officers, to provide a strategic, Foundation-wide lead in this area. In time, a new Audiences and Learning Strategy will be presented to the Board.

The Foundation aims to progress ambitions further both in terms of its recently established Green Group in respect of the Foundation's environmental responsibilities, and also the Race Equality Action Plan, to continue to embed diversity and inclusion across all activities. The forthcoming year will see the implementation of a new website, which will also include new Customer Relations software that should make the Foundation more accessible. New software will be introduced for the Grants programme to streamline the process, both for applicants and administration.

This coming year will also see the conclusion of the Foundation's 'Hybrid Home-Working' experiment, after which, it will be determined how best to manage staffing resources, both in terms of productivity and well-being.

At Henry Moore Studios & Gardens, it is hoped to progress the development of the Sheep Field Barn – devised to enhance the Henry Moore collections display and learning and engagement facilities – to the planning stage, and all being well, beyond. It is anticipated that the international touring programme will re-commence as international travel becomes more manageable again. Lastly, the Foundation will enter into negotiations with the family of Henry Moore to discuss the continuation of the loan from the family's collection of the personal items currently shown in Moore's former house 'Hoglands' in Perry Green, as the original agreement will soon come to an end.

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FINANCIAL REVIEW

Investments

The aims of the Foundation are long term and historically its income is mainly derived from investments provided from the assets left by its founder. The Foundation therefore invests the funds so as to protect its real value against inflation and to furnish an annual income at least sufficient to fulfil the charitable objectives. To this end the Foundation maintains a diverse portfolio investing with a number of fund managers with different investment styles and asset spread in order to ensure the maximum return with the minimum of risk and/or volatility across the portfolio as a whole. The portfolio of investments is managed akin to an endowment, called a quasi-endowment, where the annual yield is set aside to provide revenue for the Foundation, topped up by the sale of holdings as required. The sum allocated for operating resources continues to be monitored annually. Sufficient investment assets need to be maintained in order to provide income for the annual operating costs of the Foundation. The Foundation aims to maintain a cash pool, or general reserve, equivalent to running costs of approximately twelve months.

The Trustees take investment advice from Stanhope Consulting, a division of Stanhope Capital LLP and maintains a diversified portfolio of funds so as not to expose the Foundation to undue financial risk. The Foundation asks its investment managers to embrace an active stewardship approach to their investee companies, monitoring, evaluating and engaging with them, with the aim of preserving or adding value to the quasi endowment. Investment advisers report back regularly to the Investment Committee, which in turn reports to the Board on such engagements. The Board believes that ESG (Environmental, Social & Governance) issues can be a material factor in determining the valuation of a company. Poor practice can have a negative impact on society which could in time threaten a company's social licence to operate and therefore detract from its value. The Board therefore looks for investment managers for whom integrating ESG concerns into their investment process is second nature and who would not seek to invest in companies with a business model that is unsustainable in the long term.

The Foundation's investment objective is to achieve CPI + 4% per annum over the long term. The strategic asset allocation percentage targets are: up to 75% in equities; circa 5% in bonds; and up to 20% in alternatives. The portfolio will only invest in funds and not in individual securities. No more than 15% of the portfolio may be held in any one fund without the prior approval of the Investment Committee.

As at 31 March 2022, the total capital market value of the Foundation's investment portfolio is £97,199,015 (2021 - £93,386,461) representing an increase in value of 4%. The total return for the year is £7,852,427 (2021 - £17,695,034). Investment income rose during the year, delivering £2,131,841 (2021 - £2,090,840). Investment managers' and custodian fees increased to £106,922 (2021 - £91,100). The Foundation is predominantly invested in pooled funds where fund managers' fees are netted off against the fund value.

Financial analysis

At the year end the Foundation holds Total Funds of £125,967,244 (2021 - £122,240,687), of which:

- £99,201,475 (2021 - £93,421,586) is held in investments and managed as a quasi-endowment;
- £2,760,000 (2021 - £2,760,000) is held in investment (let) property;
- £15,928,531 (2021 - £16,554,429) is held in heritage and other fixed tangible assets; and
- £8,077,238 (2021 - £9,504,672) is in net current assets.

The Total Funds include restricted funds of £70,773 (2021 - £116,081), this being the net balance of the Yorkshire Sculpture International project of £40,773 (2021 - £116,081) and a new restricted fund of £30,000 for an upcoming Leeds Headrow Project.

As the impact of the COVID-19 pandemic abated, following the vaccine roll-out across the UK, and cultural facilities were permitted to re-open in the early summer of 2021, the Foundation's income streams gradually

THE HENRY MOORE FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

recovered.

The year saw a modest reduction in incoming resources to £3,173,095 (2021 - £3,216,033), of which £154,554 (2021 - £143,500) is restricted income relating to Yorkshire Sculpture International. There is a modest reduction in investment income £2,229,647 (2021 - £2,247,190). However, following the re-opening of museums and galleries in early summer 2021, income from charitable activities rose by 18% to £458,533 (2021 - £387,651) and trading income increased threefold to £219,944 (2021 - £74,934). The Foundation is grateful to receive Museum and Gallery Tax Relief of £64,421 (2021 - £89,022). The Foundation is also grateful to receive £32,928 (2021 - £273,736) from the Coronavirus Job Retention Scheme and £6,610 (2021 - £nil) from the Kickstart Scheme. Advantage was also taken of the COVID-19 business rates relief offered to the cultural/tourism sector in the early months of the year. Application was not made to the Cultural Investment Fund, Culture Recovery Fund or for any other business support grants or loans offered due to the pandemic. The temporary reduction in VAT granted to cultural and tourism venues, was passed onto visitors through reduced admission prices and discounted admission was offered for key workers.

Expenditure increased by 4.5% to £5,274,046 (2021 - £5,044,049). The rise in energy costs began to be felt in the second half of the year.

The Foundation is grateful to receive a sum of £138,145 (2021 - £162,523) from Leeds City Council as a contribution towards the running costs of the Henry Moore Institute and upkeep of the Council's sculpture collections and archive of artists' papers. The Foundation also received restricted grant income totalling £154,554 (2021 - £143,500 on behalf of the Yorkshire Sculpture International partnership from Arts Council England and the Freelands Foundation.

Designated Funds and Reserves Policy

The Trustees have reviewed the Foundation's reserves policy and have resolved to retain as designated funds amounts representing those assets set aside for specific purposes, with the balance as an unrestricted general reserve. The designated funds totalling £123,747,401 (2021 - £118,506,588) comprise the following:

- an investment fund represented by the Foundation's investment portfolio which is treated as an endowment fund for operational purposes and which is relied upon to produce a return sufficient to meet at least the projected annual expenditure of the Foundation - the balance in this fund is £101,961,475 (2021 - £96,181,586);
- a capital reserve fund representing the net book value of fixed assets held by the Foundation amounting to £14,385,614 (2021 - £15,011,512);
- a heritage asset fund of £1,542,917 (2021 - £1,542,917) to protect purchased artworks; and
- other designated funds totalling £1,505,842 (2021 - £1,419,020) set aside by the Trustees for specific projects, including website, IT hardware and software (together £122,182), environmental developments (£157,741), the Henry Moore Purchase Reserve Fund (£196,298), a sinking fund (£429,656) and other specified activities scheduled for delivery in the next 12 - 18 months.

After setting aside the HMF Enterprises' operating reserve of £173,934 (2021 - £138,266), this leaves a balance of £1,975,136 (2021 - £3,479,752) as the Foundation's general reserve.

The Trustees aim to maintain general funds at a level and with such liquidity as to enable a minimum of twelve months of unrestricted charitable expenditure to be undertaken at any time. The current net requirement for the 2022/23 operating costs is £3,750,000; the general reserve of £1,975,136 is lower than the target level, which is to be expected given the exceptional year.

Information on Fundraising Practices

The Foundation does not currently rely on fundraising as a major source of income for its own activities, nor does it employ or engage professional fundraisers. As a result the Foundation is not registered with the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Fundraising Regulator however should fundraising activities increase in the future, the Foundation will review this and is committed to avoiding any intrusive fundraising approaches and will never apply undue pressure to donate.

Risk management

Trustees review the major financial and non-financial risks to the Foundation to ensure that steps are taken both to minimise the risk and to provide the Foundation, its staff and visitors with appropriate insurance or physical protection against any unavoidable risks. The risk analysis is undertaken at least annually and key actions resulting from the analysis are included in the five year plan.

Specific COVID-19 risks continued to be considered throughout the year. Even after the easing of COVID-19 restrictions, the Foundation kept some of these measures in place (wherever operationally practical) for the comfort and reassurance of visitors and employees.

One of the principal ongoing risks is to inflationproof and maintain the value of the quasi-endowment and to derive a consistent income stream to finance the annual operating costs of the Foundation. This is particularly challenging when political and economic uncertainty in the UK and the wider world, including the war in Ukraine, results in volatility in the markets. Trustees have sought to minimise this risk by spreading the Foundation's investments over a broad strategic asset base, across a number of funds and across a global range. Trustees also engage an investment adviser to monitor these funds on a regular basis.

The display of artworks in the open air, as Moore desired, presents security risks for the Foundation. Such risks are mitigated by the installation of a three layered security system, plus a team of security personnel to patrol the grounds and monitor equipment.

A further risk is the potential failure of the environmental controls in the art stores and galleries. This risk has been managed by the installation of upgraded heating, ventilation and air conditioning plant at both sites and ensuring that maintenance contracts are in place for this equipment and the associated building management systems. In addition, freestanding monitoring devices (TinyTags) provide backup data that is assessed regularly by operations and registrarial personnel.

Going Concern

The Foundation has substantial resources to continue in operational existence for the foreseeable future. For this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

Pensions

The Foundation has a longstanding Group Personal Pension Plan in place for all eligible permanent employees. Autoenrolment is in place to include all eligible employees who do not join the existing scheme. These employees are autoenrolled with the National Employment Savings Trust (NEST).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisation

The Board of Trustees is appointed by majority agreement of the existing Trustees and meets quarterly to review the Foundation's activities and strategy. Four subcommittees oversee specific areas of the Foundation's work: Finance & General Purposes Committee, Investment Committee, Grants Committee and Collections Committee (dormant 2020-2022 and now disbanded); and a further two subcommittees, Nominations Committee and Remuneration Committee, meet as required. Two new informal working groups have been set up in 2022: one to support the development and conservation of the collections and the other to promote the development of audiences and learning. All committees operate within agreed Terms of Reference. Trustees

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

are appointed to the subcommittees as shown in the Trustees' listing. All subcommittees generally meet quarterly or as required throughout the year; working groups meet as required, and all report to the Board. Day to day management of the Foundation is undertaken by an executive team of paid officers.

Sir Nigel Carrington, retired Vice Chancellor of University of the Arts London, is chair of the Board of Trustees. He was appointed to the position for a term of five years at the AGM in November 2014 and reappointed for a further term at the AGM in December 2019 to December 2024.

The Board of Trustees keeps under review the skills required of the Board. When necessary the Board seeks new Trustees by public advertisement and exploiting the broad range of contacts of the Trustees and the Executive to ensure the maintenance of the necessary mix of skills. The Trustees' Skills Audit was last reviewed in September 2020 prior to the latest recruitment of new trustees in 2021, when five new trustees were appointed.

The induction of new Trustees is designed to provide a full understanding of all aspects of the work of the Foundation. It includes meetings with the Director, Chief Operating Officer and Board Members, covering policies and plans, programmes and exhibitions, grant making process, major projects and capital developments and powers and responsibilities of the Trustee Board and the subcommittees. The welcome pack includes a copy of the Memorandum and Articles of Association, previous annual reports and accounts, the Annual Review and copies of relevant Charity Commission guidance as well as other relevant material.

The Henry Moore Foundation has a wholly owned trading subsidiary company, HMF Enterprises Limited (Company Number 1262112), and the majority of any profit from its undertakings are paid under Gift Aid to the charity annually. Details of HMF Enterprises Limited and its activities are summarised in note 3 of these financial statements. Martin Barden, Leonard Dunne and William Edgerley, Trustees of the Henry Moore Foundation, also serve as Directors of the HMF Enterprises Board along with three other Directors.

Pay policy for senior staff

The pay and remuneration of the Foundation's senior executive officers is considered by the Remuneration Committee and approved by the Board of Trustees. These arrangements are informed by achievements of the individuals in post and benchmarking against similar posts in comparable out of London organisations in the wider cultural, academic and charity spheres. The Foundation undertakes a salary benchmarking exercise approximately every three to four years. Key management personnel are detailed in note 14.

Data Protection

The Foundation takes the protection of personal data very seriously and is mindful of the General Data Protection Regulations (GDPR). The Foundation's GDPR and Privacy Policies, processes and systems enable it to comply with the terms of the GDPR. The Chief Operating Officer is responsible for all employee and internal personnel data and the Head of Marketing & Communications is responsible for all customer and third party external data. There have been no known losses of personal data held by the Foundation during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Henry Moore Foundation for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Foundation and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Foundation 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 Group and the Foundation 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 corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITOR


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

- so far as that Trustee is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company and the group's auditors in connection with preparing their report and to establish that the company and the group's auditors are aware of that information.

AUDITOR

A resolution proposing that Peters Elworthy & Moore be re-appointed as auditors of the company will be put to the Annual General Meeting.

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



.....
Sir Nigel Carrington
Chair, Board of Trustees

Date: 15/9/22



.....
William Thomas Edgerley
Trustee and Chair of Finance &
General Purposes Committee

THE HENRY MOORE FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HENRY MOORE FOUNDATION

OPINION

We have audited the financial statements of The Henry Moore Foundation (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Foundation Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company'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 Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or

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

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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable 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 Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes 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 Group's and the parent charitable company'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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge of charity and company law and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and UK taxation legislation, as well as those laws and regulations relating to the group's operations such as UK employment legislation and health and safety;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify any references to non-compliances with laws and regulations.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and
- performed audit work over the risk of management 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 bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators such as the Charity Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations

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

to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: *6. October 2022*

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | |
| Donations and legacies | 2 | 154,554 | 6,908 | 161,462 | 143,500 |
| Charitable activities | 3 | - | 458,533 | 458,533 | 387,651 |
| Other trading activities | 4 | - | 219,944 | 219,944 | 74,934 |
| Investments | 5 | - | 2,229,647 | 2,229,647 | 2,247,190 |
| Other income | 7 | - | 103,509 | 103,509 | 362,758 |
| | | <u>154,554</u> | <u>3,018,541</u> | <u>3,173,095</u> | <u>3,216,033</u> |
| TOTAL INCOME | | | | | |
| EXPENDITURE ON: | | | | | |
| Raising funds | 8 | - | 439,767 | 439,767 | 201,701 |
| Charitable activities | 9 | 199,862 | 4,634,417 | 4,834,279 | 4,842,348 |
| | | <u>199,862</u> | <u>5,074,184</u> | <u>5,274,046</u> | <u>5,044,049</u> |
| TOTAL EXPENDITURE | | | | | |
| NET EXPENDITURE BEFORE NET GAINS ON INVESTMENTS | | | | | |
| | | <u>(45,308)</u> | <u>(2,055,643)</u> | <u>(2,100,951)</u> | <u>(1,828,016)</u> |
| Net gains on investments | 17 | - | 5,827,508 | 5,827,508 | 15,695,294 |
| | | <u>(45,308)</u> | <u>3,771,865</u> | <u>3,726,557</u> | <u>13,867,278</u> |
| NET MOVEMENT IN FUNDS | | | | | |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 116,081 | 122,124,606 | 122,240,687 | 108,373,409 |
| Net movement in funds | | (45,308) | 3,771,865 | 3,726,557 | 13,867,278 |
| | | <u>70,773</u> | <u>125,896,471</u> | <u>125,967,244</u> | <u>122,240,687</u> |
| TOTAL FUNDS CARRIED FORWARD | | | | | |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 56 form part of these financial statements.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01255762

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|--|------|---------------------------|---------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 15 | 14,385,614 | 15,011,512 |
| Heritage assets | 16 | 1,542,917 | 1,542,917 |
| Investments | 17 | 99,201,475 | 93,421,586 |
| Investment property | 17 | 2,760,000 | 2,760,000 |
| | | <u>117,890,006</u> | <u>112,736,015</u> |
| CURRENT ASSETS | | | |
| Stocks | 18 | 51,994 | 51,595 |
| Debtors | 19 | 343,041 | 249,256 |
| Cash at bank and in hand | 24 | 8,629,171 | 10,056,461 |
| | | <u>9,024,206</u> | <u>10,357,312</u> |
| Creditors: amounts falling due within one year | 20 | (946,968) | (852,640) |
| NET CURRENT ASSETS | | <u>8,077,238</u> | <u>9,504,672</u> |
| TOTAL NET ASSETS | | <u><u>125,967,244</u></u> | <u><u>122,240,687</u></u> |
| CHARITY FUNDS | | | |
| Restricted funds | 21 | 70,773 | 116,081 |
| Unrestricted funds: | | | |
| Designated funds | 21 | 123,747,401 | 118,506,588 |
| General funds | 21 | 2,149,070 | 3,618,018 |
| Total unrestricted funds | 21 | <u>125,896,471</u> | <u>122,124,606</u> |
| TOTAL FUNDS | | <u><u>125,967,244</u></u> | <u><u>122,240,687</u></u> |

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


THE HENRY MOORE FOUNDATION
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REGISTERED NUMBER: 01255762

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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



Sir Nigel Carrington
Trustee
Date: 15/9/22



William Thomas Edgerley
Trustee

The notes on pages 26 to 56 form part of these financial statements.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01255762

FOUNDATION BALANCE SHEET
AS AT 31 MARCH 2022


| | Note | 2022 £ | 2021 £ |
|--|------|--------------------|--------------------|
| FIXED ASSETS | | | |
| Tangible assets | 15 | 14,385,614 | 15,011,512 |
| Heritage assets | 16 | 1,542,917 | 1,542,917 |
| Investments | 17 | 99,208,061 | 93,428,172 |
| Investment property | 17 | 2,760,000 | 2,760,000 |
| | | <u>117,896,592</u> | <u>112,742,601</u> |
| CURRENT ASSETS | | | |
| Debtors | 19 | 683,508 | 459,662 |
| Cash at bank and in hand | | 8,144,169 | 9,742,600 |
| | | <u>8,827,677</u> | <u>10,202,262</u> |
| Creditors: amounts falling due within one year | 20 | (930,959) | (842,442) |
| NET CURRENT ASSETS | | <u>7,896,718</u> | <u>9,359,820</u> |
| TOTAL NET ASSETS | | <u>125,793,310</u> | <u>122,102,421</u> |
| CHARITY FUNDS | | | |
| Restricted funds | 21 | 70,773 | 116,081 |
| Unrestricted funds: | | | |
| Designated funds | 21 | 123,747,401 | 118,506,588 |
| General funds | 21 | 1,975,136 | 3,479,752 |
| Total unrestricted funds | 21 | <u>125,722,537</u> | <u>121,986,340</u> |
| TOTAL FUNDS | | <u>125,793,310</u> | <u>122,102,421</u> |

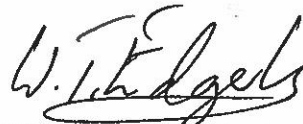
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01255762

FOUNDATION BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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


Sir Nigel Carrington
Trustee
Date: 15/4/22


William Thomas Edgerley
Trustee

The notes on pages 26 to 56 form part of these financial statements.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

| | Note | 2022 £ | 2021 £ |
|---|------|--------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net cash used in operating activities | 23 | (3,704,556) | (3,219,581) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Dividends, interests and rents from investments | | 2,229,647 | 2,247,190 |
| Purchase of tangible fixed assets | | - | (81,013) |
| Net drawdown from investment portfolio | | 47,619 | 4,394,375 |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | | 2,277,266 | 6,560,552 |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | | (1,427,290) | 3,340,971 |
| Cash and cash equivalents at the beginning of the year | | 10,056,461 | 6,715,490 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 24 | 8,629,171 | 10,056,461 |

The notes on pages 26 to 56 form part of these financial statements

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019) effective 1 January 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Henry Moore Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Foundation and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Foundation has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The surplus (2021 - surplus) for the year for the Foundation only is £4,421,326 (2021 - £13,902,949).

1.2 COMPANY STATUS

The Foundation is a company limited by guarantee. The members of the Foundation are the Trustees named on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the Foundation.

1.3 GOING CONCERN

The Trustees have prepared forecasts for 2022/23 and considered activities beyond this. The investment portfolio is managed akin to an endowment, whereby annual yield is set aside to provide revenue for the Foundation. This will continue for the foreseeable future and the budget for the short term will be managed to ensure expenditure is within allocated income. The Foundation is holding reserves close to its target to ensure liquidity can be managed should there be any further disturbance to the stock market.

Following their review of the forecasts, the Trustees are confident the Foundation is able to meet its liabilities as they fall due for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.4 INCOME

Voluntary income includes grants and donations received in addition to gift aid donations for admissions.

Income from other trading activities comprises the income earned by the subsidiary company. Standard deposits received in relation to weddings and events are recognised on receipt whilst the remaining balance is deferred until the wedding or event has been held.

Investment income is recognised on a receivable basis.

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

Income from charitable activities includes admissions and sale of publications and catalogues. Income received in relation to exhibitions is recognised at the commencement of the exhibition.

Works of Art income is recognised on a receivable basis.

Restricted grant income is recognised when the Foundation has entitlement to it, the receipt is probable and the amount can be reliably measured. Any unspent balance is carried forward in restricted funds.

Performance related grant income is recognised in the period received but where the related services have not been performed by the period end, the balance is carried forward as deferred income.

1.5 VOLUNTEERS AND DONATED SERVICES AND SERVICES

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

1.6 EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Foundation to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Costs of generating funds are those costs incurred in attracting voluntary income and investment income, and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the staging of exhibitions, educational and research programmes and include both the direct costs and support costs relating to these activities.

Support costs include governance costs and central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Termination payments are recognised as soon as there is a legal obligation committing the Foundation to that expenditure.

Governance costs include those incurred in the governance of the Foundation and its assets and are primarily associated with constitutional and statutory requirements.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.6 EXPENDITURE (CONTINUED)

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Foundation.

Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Foundation.

1.7 INVESTMENT MANAGEMENT FEES

Investment fees are taken by fund managers net of income reinvested in the portfolio. Where this can be accurately measured, investment income and management fees are grossed up within the Statement of Financial Activities. If these cannot be reliably measured, investment income is recognised net of the management fee.

1.8 GOVERNMENT GRANTS

Government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.9 IRRECOVERABLE VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.10 PENSIONS

The Foundation operates two defined contribution pension schemes. The assets of both schemes are held in separate trustee-administered funds.

1.11 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £3,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Consolidated Statement of Financial Activities.

THE HENRY MOORE FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.11 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life.

The estimated useful lives are as follows:

| | |
|---|-------------------------------------|
| Freehold property | - over 50 to 75 years |
| Long-term leasehold property | - over the period of the lease |
| Major plant and machinery | - over 15 years |
| Fixtures, fittings, plant and machinery | - 20% straight line basis |
| Motor vehicles | - 25% straight line basis |
| Computer equipment | - 33% straight line |
| Assets under construction | - Depreciated once brought into use |

1.12 HERITAGE ASSETS

The Foundation's works of art comprise assets of artistic and historical importance held to advance the Foundation's core objectives and, through public access, contribute to the nation's culture and education.

The Foundation owns certain assets that are not considered to form part of the core heritage assets and these are held for sale.

Prior to the financial year 2007/08, reliable cost information was not available and conventional valuation approaches lack sufficient reliability, with the cost of providing such information unaffordable and unmanageable, and deemed to outweigh the benefits to the users. Accordingly these assets are not capitalised in the balance sheet.

Works of art in excess of the capitalisation threshold of £3,000 acquired since 1 April 2008 have been capitalised at acquisition value, and treated as non depreciable heritage assets in the balance sheet. A description of the collections and their management in the year are given in Note 16.

At each reporting date the Foundation assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.13 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

1.14 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investment property is carried at fair value determined annually by the Trustees based on available market data. Fair values are derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Financial Activities.

The investment in the subsidiary is valued at cost less provision for impairment.

1.15 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.16 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.17 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities within interest payable and similar charges.

1.18 FINANCIAL INSTRUMENTS

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

1.19 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Group's accounting policies, the directors may be required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and the future periods if the revision affects both current and future periods.

There are currently no critical estimates or judgements requiring disclosure in addition to the accounting policies described.

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. INCOME FROM DONATIONS, GRANTS AND LEGACIES

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | - | 908 | 908 | - |
| Yorkshire Sculpture International (YSI) | 154,554 | 6,000 | 160,554 | 143,500 |
| TOTAL 2022 | <u>154,554</u> | <u>6,908</u> | <u>161,462</u> | <u>143,500</u> |
| TOTAL 2021 | <u>143,500</u> | <u>-</u> | <u>143,500</u> | |

3. CHARITABLE INCOME

| | 2022 £ | 2021 £ |
|---|-----------------------|----------------|
| Catalogue sales and publication Income - HM Institute | 11,545 | 4,843 |
| Exhibition income | 34,769 | 81,339 |
| Other income | 13,890 | 15,226 |
| Contributions from Leeds City Council | 138,145 | 162,523 |
| Admissions income | 245,517 | 123,720 |
| | <u>443,866</u> | <u>387,651</u> |

In 2021 and 2022, all charitable income was unrestricted.

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. TRADING INCOME - HMF ENTERPRISES LIMITED

The Henry Moore Foundation owns 100% of the ordinary share capital of HMF Enterprises Limited, a provider of retail, event and catering services to The Henry Moore Foundation. A summary of the results of HMF Enterprises Limited is set out below.

Audited financial statements will be filed with the Registrar of Companies.

| | 2022 £ | 2021 £ |
|--|-----------------------|------------------------|
| PROFIT AND LOSS ACCOUNT | | |
| Retail sales, venue & facilities hire and licensing income | 203,784 | 70,244 |
| Sales of works of art from stock | 16,160 | 4,590 |
| Cost of sales | (51,734) | (33,886) |
| | <u>168,210</u> | <u>40,948</u> |
| Other operating income | - | 100 |
| Administrative expenses | (131,711) | (76,716) |
| Net profit before tax | <u>36,499</u> | <u>(35,668)</u> |
| Tax | - | - |
| Net profit after tax | <u><u>36,499</u></u> | <u><u>(35,668)</u></u> |
| | 2022 £ | 2021 £ |
| NET ASSETS | | |
| Net profit after tax | 36,499 | (35,668) |
| Net assets brought forward | 144,852 | 180,520 |
| Gift aid distribution | (831) | - |
| Net assets carried forward | <u><u>180,520</u></u> | <u><u>144,852</u></u> |

Other trading income includes retail sales, event and licensing income, graphic sales and other operating income of £219,944 (2021: £74,934).

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Property income | 90,023 | 90,023 | 66,271 |
| Investment income | 2,131,841 | 2,131,841 | 2,090,840 |
| Bank interest | 7,783 | 7,783 | 90,079 |
| | <u>2,229,647</u> | <u>2,229,647</u> | <u>2,247,190</u> |
| TOTAL 2021 | <u>2,247,190</u> | <u>2,247,190</u> | |

6. INVESTMENT RETURNS

Investments are managed on a total return basis and the total return for the year is set out below.

Investment management fees include fees paid to the investment managers and investment advisors. Other fees are charged directly to the investment funds.

| | 2022 £ | 2021 £ |
|---|-----------------------------|-----------------------|
| Income from listed investments | 2,131,841 | 2,090,840 |
| Unrealised gains on investment properties | - | 159,000 |
| Unrealised gains on listed investments | 3,641,596 | 14,628,208 |
| Realised gains on listed investments | 2,185,912 | 908,086 |
| Investment management fees | (106,922) | (91,100) |
| Total return for the year | <u>7,852,427</u> | <u>17,695,034</u> |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. OTHER INCOMING RESOURCES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Museum and gallery exhibition tax relief | 64,421 | 64,421 | 89,022 |
| Government grants | 39,088 | 39,088 | 273,736 |
| | <u>103,509</u> | <u>103,509</u> | <u>362,758</u> |
| TOTAL 2021 | <u>362,758</u> | <u>362,758</u> | |

Government grants represents £32,928 (2021 - £273,736) received under the Coronavirus Job Retention Scheme (CJRS) to cover salaries of furloughed staff during the period the business was unable to operate and £6,610 (2021 - £nil) received under the Kickstart Scheme to create jobs for 16 to 24 year olds on Universal Credit.

8. RAISING FUNDS

| | 2022 £ | 2021 £ |
|----------------------------|----------------|----------------|
| Subsidiary other costs | 65,170 | 28,731 |
| Subsidiary staff costs | 267,675 | 81,870 |
| Investment management fees | 106,922 | 91,100 |
| | <u>439,767</u> | <u>201,701</u> |

In 2021 and 2022, all expenditure on raising funds was unrestricted.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly (note 10) 2022 £ | Grant funding of activities (note 12) 2022 £ | Support costs (note 11) 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|--|---|--|-----------------------------|-----------------------------|
| Grants | - | 404,235 | 38,544 | 442,779 | 479,988 |
| Curatorial and exhibitions (Perry Green) | 1,066,844 | - | 454,955 | 1,521,799 | 1,413,346 |
| Sculpture studies (HMI) | 782,190 | - | 452,610 | 1,234,800 | 1,165,528 |
| Estate and visitor services (Perry Green) | 298,636 | - | 788,533 | 1,087,169 | 1,339,900 |
| Marketing | 318,418 | - | 29,452 | 347,870 | 319,613 |
| Yorkshire Sculpture International (YSI) | 199,862 | - | - | 199,862 | 123,973 |
| | <u>2,665,950</u> | <u>404,235</u> | <u>1,764,094</u> | <u>4,834,279</u> | <u>4,842,348</u> |
| TOTAL 2021 | <u>2,577,192</u> | <u>440,103</u> | <u>1,825,053</u> | <u>4,842,348</u> | |

10. DIRECT COSTS

| | Direct costs 2022 £ | Staff costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|---|---------------------------|--------------------------|-----------------------------|-----------------------------|
| Curatorial and exhibitions (Perry Green) | 269,419 | 797,425 | 1,066,844 | 979,117 |
| Sculpture studies (HMI) | 127,297 | 654,893 | 782,190 | 784,451 |
| Estate and visitor services (Perry Green) | 53,677 | 244,959 | 298,636 | 400,458 |
| Marketing | 126,706 | 191,712 | 318,418 | 289,193 |
| Yorkshire Sculpture International (YSI) | 109,412 | 90,450 | 199,862 | 123,973 |
| | <u>686,511</u> | <u>1,979,439</u> | <u>2,665,950</u> | <u>2,577,192</u> |
| TOTAL 2021 | <u>479,630</u> | <u>2,097,562</u> | <u>2,577,192</u> | |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

In 2022, £199,862 (2021 - £123,973) of expenditure was from restricted funds and £2,375,465 (2021 - £2,453,219) from unrestricted funds

11. SUPPORT AND GOVERNANCE COSTS

| | General support costs 2022 £ | Staff costs 2022 £ | Governance costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|--|--|--------------------------|----------------------------------|-----------------------------|-----------------------------|
| Grants | 577 | 25,513 | 12,454 | 38,544 | 39,885 |
| Curatorial and exhibitions (Perry Green) | 382,293 | - | 72,662 | 454,955 | 434,229 |
| Sculpture studies (HMI) | 392,406 | - | 60,204 | 452,610 | 381,077 |
| Estate and visitor services (Perry Green) | 763,240 | - | 35,293 | 798,533 | 939,442 |
| Marketing | 2,463 | - | 26,989 | 29,452 | 30,420 |
| | <u>1,540,979</u> | <u>25,513</u> | <u>207,602</u> | <u>1,774,094</u> | <u>1,825,053</u> |
| TOTAL 2021 | <u>1,700,631</u> | <u>25,845</u> | <u>98,577</u> | <u>1,825,053</u> | |

In 2021 and 2022, all expenditure was from unrestricted funds.

Analysis of governance costs

| | 2022 £ | 2021 £ |
|---------------------------------|----------------|---------------|
| Wages and salaries | 30,512 | 30,139 |
| Operational costs | 48,476 | 44,079 |
| Legal & professional fees | 106,922 | - |
| Audit fees | 17,176 | 20,346 |
| Trustees expenses and insurance | 4,516 | 4,013 |
| | <u>207,602</u> | <u>98,577</u> |

Allocated in proportion to other costs.

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. ANALYSIS OF GRANTS

| | Grants to Institutions 2022 £ | Grants to Individuals 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------|--|---------------------------------------|-----------------------------|-----------------------------|
| Grants committed | 404,235 | - | 404,235 | 440,103 |
| TOTAL 2021 | 397,103 | 43,000 | 440,103 | |

During the year, the Foundation made 77 grants (2021 - 84) to institutions. The Foundation has made the following material grants to institutions during the year:

| NAME OF INSTITUTION | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Studio Voltaire | - | 10,000 |
| Hepworth Wakefield | 15,000 | 12,000 |
| South London Gallery | - | 50,000 |
| Artists Support Award | - | 20,000 |
| Compton Verney Art Gallery and Park | - | 10,600 |
| ART UK | - | 10,000 |
| Philadelphia Museum of Art | - | 10,000 |
| David Oluwale Memorial Association | 10,000 | - |
| Loughborough University | 12,000 | - |
| Whitechapel Gallery | 12,000 | - |
| The Metropolitan Museum of Art | 10,000 | - |
| British Council | 17,000 | - |
| National Life Stories | 12,000 | - |
| Leisure & Culture Dundee | 10,000 | - |
| Victoria & Albert Museum | 20,000 | - |
| Hood Museum of Art at Dartmouth College | 14,000 | - |
| Glasgow Museums | 10,000 | - |
| Yorkshire Sculpture Park | 10,000 | - |
| International Curators Forum | 10,000 | - |
| Bildmuseet | 10,000 | - |
| | 172,000 | 122,600 |
| Other grants to institutions | 232,235 | 274,503 |
| | 404,235 | 397,103 |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. ANALYSIS OF GRANTS (CONTINUED)

Below is an analysis of grants by nature:

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Exhibitions and New Projects | 250,235 | 252,703 |
| Collections | 94,500 | 38,000 |
| Conferences, Publications and Workshops | 11,000 | 7,000 |
| Fellowships | 21,000 | 42,000 |
| Research | 27,500 | 90,400 |
| Other | - | 10,000 |
| | <u>404,235</u> | <u>440,103</u> |

In 2021 and 2022, all expenditure was from unrestricted funds.

13. AUDITORS' REMUNERATION

| | 2022 £ | 2021 £ |
|--|--------------|--------------|
| Fees payable to the Foundation's auditor for the audit of the Foundation's annual accounts | 16,700 | 16,250 |
| Fees payable to the Foundation's auditor in respect of: | | |
| Auditor's remuneration - Subsidiary | <u>4,800</u> | <u>4,700</u> |

14. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

Staff costs were as follows:

| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
|--|--------------------|--------------------|-------------------------|-------------------------|
| Wages and salaries | 1,882,004 | 1,890,593 | 1,882,004 | 1,890,593 |
| Social security costs | 160,903 | 151,606 | 160,903 | 151,606 |
| Contribution to defined contribution pension schemes | 201,438 | 193,218 | 201,438 | 193,218 |
| | <u>2,244,345</u> | <u>2,235,417</u> | <u>2,244,345</u> | <u>2,235,417</u> |

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (CONTINUED)

The average number of persons employed by the Foundation during the year was as follows:

| | Group 2022 No. | Group 2021 No. |
|---------------|-------------------------------|-------------------------------|
| Curatorial | 43 | 40 |
| HMI Programme | 38 | 40 |
| Establishment | 11 | 11 |
| Estate | 5 | 5 |
| Marketing | 4 | 4 |
| YSI Project | 3 | 3 |
| | <hr/> 104 <hr/> | <hr/> 103 <hr/> |

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

| | Group 2022 No. | Group 2021 No. |
|---------------------------------|-------------------------------|-------------------------------|
| In the band £60,001 - £70,000 | 2 | 2 |
| In the band £90,001 - £100,000 | 1 | 1 |
| In the band £130,001 - £140,000 | 1 | 1 |

The key management personnel of the Foundation comprise the Director, Chief Operating Officer, Head of Henry Moore Collections & Programmes, Head of the Henry Moore Institute, Head of Enterprise and Head of Marketing & Communications. The total employment benefits including employer's national insurance and pension contributions of key management personnel were £562,534 (2021 - £550,753).

Whilst the Trustees are the legal directors of the Foundation and its subsidiary, they do not consider themselves part of the day-to-day management and are therefore not included as key management personnel. None of the Trustees received any remuneration or benefits during the year.

During the year, 4 Trustees either received reimbursement of expenses or had expenses paid direct by the Foundation amounting to £664 (2021 - 2 Trustees - £160).

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. TANGIBLE FIXED ASSETS

GROUP AND FOUNDATION

| | Freehold property £ | Long-term leasehold property £ | Other fixed assets £ | Assets under construction £ | Total £ |
|---------------------------|---------------------------|---|----------------------------|--------------------------------------|------------|
| COST OR VALUATION | | | | | |
| At 1 April 2021 | 21,768,271 | 1,159,606 | 512,590 | 260,586 | 23,701,053 |
| Transfers between classes | - | - | 260,586 | (260,586) | - |
| At 31 March 2022 | 21,768,271 | 1,159,606 | 773,176 | - | 23,701,053 |
| DEPRECIATION | | | | | |
| At 1 April 2021 | 7,146,144 | 1,061,253 | 482,144 | - | 8,689,541 |
| Charge for the year | 530,908 | 25,183 | 69,807 | - | 625,898 |
| At 31 March 2022 | 7,677,052 | 1,086,436 | 551,951 | - | 9,315,439 |
| NET BOOK VALUE | | | | | |
| At 31 March 2022 | 14,091,219 | 73,170 | 221,225 | - | 14,385,614 |
| At 31 March 2021 | 14,622,127 | 98,353 | 30,446 | 260,586 | 15,011,512 |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. HERITAGE ASSETS

GROUP AND FOUNDATION

Assets recognised at cost

| | Heritage assets |
|---------------------------------|----------------------------|
| | £ |
| Carrying value at 1 April 2021 | 1,542,917 |
| Carrying value at 31 March 2021 | <u>1,542,917</u> |

CHARITY HERITAGE ASSETS

FIVE YEAR FINANCIAL SUMMARY OF HERITAGE ASSET TRANSACTIONS

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|-----------------------|-------------|-------------|-------------|-------------|-------------|
| | £ | £ | £ | £ | £ |
| Works of art acquired | - | - | - | 12,500 | - |

HERITAGE ASSET MANAGEMENT POLICY

The Henry Moore Foundation holds a major collection of the artist's sculpture, drawings, graphics and textiles, as well as a vast photography and letter archive, and library relating to Moore's life and work. National and International standards in the care of its collection are followed with every endeavour to protect and safeguard the collection in its care for future generations. The Foundation acts in accordance with the Museums Association Code of Ethics, ensuring appropriate standards of care and security for all items, DCMS Due Diligence guidelines, ICOM Code of Ethics for museum and BSI PAS197:2009: Code of Practice for Cultural Collections Management in balancing the care of its collection with access and education.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17. FIXED ASSET INVESTMENTS

| | Market Value 2022 £ | Cost 2022 £ | Market Value 2021 £ | Cost 2021 £ |
|--------------------------------------|------------------------------|-------------------|------------------------------|-------------------|
| Investment property | 2,760,000 | 388,111 | 2,760,000 | 388,111 |
| Listed investments | 97,199,015 | 80,808,022 | 93,386,461 | 79,912,081 |
| Uninvested cash | 2,002,460 | 2,002,460 | 35,125 | 35,125 |
| Total for group | 101,961,475 | 83,198,593 | 96,181,586 | 80,335,317 |
| Investment in subsidiary undertaking | 6,586 | 6,586 | 6,586 | 6,586 |
| Total for company | 101,968,061 | 83,205,179 | 96,188,172 | 80,341,903 |

MOVEMENT IN INVESTMENT PROPERTIES

| | 2022 £ | 2021 £ |
|------------------------------------|------------------|------------------|
| Fair value at 1 April 2021 | 2,760,000 | 2,601,000 |
| Net gain/(loss) on revaluation | - | 159,000 |
| Fair value at 31 March 2022 | 2,760,000 | 2,760,000 |

Investment properties comprise private residential properties. When valuing these properties, the Trustees have regard to rental yields, recent selling prices of similar properties and the specific condition and circumstances of each property. In determining these values, the Trustees have not considered it necessary to consult an independent professional valuer.

The Trustees are not aware of any restrictions on the Foundation's ability to realise investment property in the future.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

MOVEMENT IN LISTED INVESTMENTS

| | 2022 £ | 2021 £ |
|------------------------------------|-------------------|-------------------|
| Fair value at 1 April 2021 | 93,386,461 | 77,888,673 |
| Additions | 28,003,264 | 6,177,793 |
| Disposal proceeds | (30,018,218) | (6,216,299) |
| Gain/(loss) on disposals | 2,185,912 | 908,086 |
| Gain/(loss) on revaluation | 3,641,596 | 14,628,208 |
| Fair value at 31 March 2022 | 97,199,015 | 93,386,461 |

VALUATION

All listed investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Foundation is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The objectives of the funds held by The Henry Moore Foundation are to provide long term growth by investing in a portfolio of other authorised funds, worldwide equities, fixed interest stocks, cash and money market instruments.

The investment managers will take a fundamental and value driven approach to the portfolio allocation, dependant on the relevant attractions of the world equity, fixed interest and currency markets. The fund will take an aggressive view of the stock market weightings in the portfolio, when compared to a neutral world market capitalisation.

The fund has little exposure to credit or cash flow risk. There are no borrowings or unlisted securities of a material nature and so there is little exposure to liquidity risk. The main risks it faces from its financial instruments are market price, foreign currency and interest rate risk. The policies are reviewed for managing these risks in order to follow and achieve the investment objective.

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NOTES TO THE FINANCIAL STATEMENTS
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INVESTMENT RISK MANAGEMENT POLICY

The Trustees of the Henry Moore Foundation have adopted an investment policy whose purpose is to generate, in a risk-aware manner, both growth in capital and income to enable the Foundation to fulfil its charitable objects. The significance of the portfolio to the longer-term financial sustainability of the Foundation is considered in the Financial Review, Investment Policy and Performance sections of the Trustees' Annual Report.

The Trustees' investment objective is to achieve a return of RPI+4% p.a. over the long term. To that end they have chosen to adopt a multi-asset strategy via a portfolio of funds which comprises a suitable mix of cash, fixed interest, of UK and international equity, property as well of those seeking absolute returns. The funds are managed by specialist managers in their respective fields. Stanhope Consulting, a division of Stanhope Capital LLP, is responsible for advising the Foundation's Finance Committee on strategy, manager selection and tactical asset allocation. The Committee approves any recommendations before they are implemented by Stanhope Consulting and executed by RBC, Jersey, the custodian/administrator.

By maintaining a diversified portfolio and by receiving specialist advice, the Trustees anticipate that the longer-term financial objects of the Foundation will be fulfilled. At the same time, the consistent generation of income on an annual basis should assist the Trustees in meeting the Foundation's shorter-term commitments and should reduce the reliance on the realisation of capital gains to fund liabilities. Risks – credit, interest rate, cash flow, currency and counter-party – are kept under continuous review so as not to endanger the longer-term financial viability of the Foundation. In addition, The Foundation's policy is to retain twelve months' operating funds as cash alongside its investment portfolio.

All investments are carried at their fair value. Funds are valued either on a single- priced or bid basis. Asset sales and purchases are recognised at the transaction value on the trade date. There are no borrowings and exposure to unlisted securities and derivatives within selected funds are thought not to be of a material nature.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. STOCKS

| | Group 2022 £ | Group 2021 £ |
|----------------|-----------------------------|-----------------------------|
| Finished goods | 51,994 | 51,595 |

All stock is held within the subsidiary.

19. DEBTORS

| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
|---|-----------------------------|-----------------------------|----------------------------------|----------------------------------|
| Trade debtors | 53,721 | 19,782 | 52,347 | 19,740 |
| Amounts owed by group undertakings | - | - | 342,300 | 211,516 |
| Other debtors and prepayments | 230,086 | 140,451 | 229,627 | 139,383 |
| Museum and gallery exhibition tax rebate debtor | 59,234 | 89,023 | 59,234 | 89,023 |
| | 343,041 | 249,256 | 683,508 | 459,662 |

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
|------------------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------------|
| Trade creditors | 157,066 | 164,401 | 147,129 | 162,755 |
| Other taxation and social security | 42,813 | 36,800 | 42,813 | 36,800 |
| Other creditors | 24,062 | 24,819 | 24,062 | 24,805 |
| Accruals and deferred income | 368,379 | 217,922 | 362,307 | 209,384 |
| Grants accrued - institutional | 354,648 | 408,698 | 354,648 | 408,698 |
| | 946,968 | 852,640 | 930,959 | 842,442 |

Deferred income represents exhibition income and events deposits received in advance.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)

| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
|--|--------------------|--------------------|-------------------------|-------------------------|
| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
| DEFERRED INCOME | | | | |
| Deferred income at 1 April | 6,271 | 3,593 | 2,333 | 3,593 |
| Resources deferred during the year | 235,800 | 6,271 | 235,800 | 2,333 |
| Amounts released from previous periods | (6,271) | (3,593) | (2,333) | (3,593) |
| Deferred income at 31 March | 235,800 | 6,271 | 235,800 | 2,333 |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Gains/ (Losses) £ | Balance at 31 March 2022 £ |
|---------------------------------|---------------------------------|------------------|--------------------|----------------------------|-------------------------|-------------------------------------|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Investment Fund | 96,181,586 | - | - | (47,619) | 5,827,508 | 101,961,475 |
| Capital Reserve Fund | 15,011,512 | - | - | (625,898) | - | 14,385,614 |
| Heritage Asset Fund | 1,542,917 | - | - | - | - | 1,542,917 |
| General reserve | 4,351,553 | - | - | - | - | 4,351,553 |
| Other Designated Funds | 1,419,020 | 79,088 | (178,142) | 185,876 | - | 1,505,842 |
| | <u>118,506,588</u> | <u>79,088</u> | <u>(178,142)</u> | <u>(487,641)</u> | <u>5,827,508</u> | <u>123,747,401</u> |
| GENERAL FUNDS | | | | | | |
| Charity Reserves | 3,479,752 | 2,719,509 | (4,712,597) | 488,472 | - | 1,975,136 |
| HMF Enterprises Limited | 138,266 | 219,944 | (183,445) | (831) | - | 173,934 |
| | <u>3,618,018</u> | <u>2,939,453</u> | <u>(4,896,042)</u> | <u>487,641</u> | <u>-</u> | <u>2,149,070</u> |
| TOTAL UNRESTRICTED FUNDS | <u>122,124,606</u> | <u>3,018,541</u> | <u>(5,074,184)</u> | <u>-</u> | <u>5,827,508</u> | <u>125,896,471</u> |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. STATEMENT OF FUNDS (CONTINUED)

RESTRICTED FUNDS

Yorkshire Sculpture International
Leeds Headrow Project

| | | | | | | |
|-----------------------|--------------------|------------------|--------------------|----------|------------------|--------------------|
| | 116,081 | 124,554 | (199,862) | - | - | 40,773 |
| | - | 30,000 | - | - | - | 30,000 |
| | <u>116,081</u> | <u>154,554</u> | <u>(199,862)</u> | <u>-</u> | <u>-</u> | <u>70,773</u> |
| TOTAL OF FUNDS | <u>122,240,687</u> | <u>3,173,095</u> | <u>(5,274,046)</u> | <u>-</u> | <u>5,827,508</u> | <u>125,967,244</u> |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (CONTINUED)

The Foundation only funds are the same as those set out above excluding the HMF Enterprises Limited fund.

DESIGNATED FUNDS

Investment fund

The Foundation's main source of income is from its investments. The designated fund represents investments set aside to protect future income streams. The Trustees allocate annually a percentage of the average value of the investments to provide revenue. The transfer represents the net movement in investments in the period.

Capital reserve fund

The Foundation's fixed assets are its core assets used for operational purposes. A separate fund has been established to protect these assets where not represented by other funds. The transfer represents the net movement of additions and depreciation during the year.

Heritage asset fund

The Foundation's works of art are core to its charitable objectives. A separate fund has been established to protect these assets where not represented by other funds. The transfer represents additions during the year.

General reserve

A separate fund has been established to ringfence cash available for investment at the Foundation's discretion, however the cash is there to be immediately available should expenditure exceed the agreed drawn down. It enables the Foundation to manage liquidity in its portfolio.

Other designated funds

These represent sums set aside for various projects including capital and other expenditure.

RESTRICTED FUNDS

Yorkshire Sculpture International

This represents grants received for a specific project which is being undertaken in association with two other organisations. The Henry Moore Foundation administers the funding and expenditure for the whole project.

Leeds Headrow Project

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (CONTINUED)

The represents grants received for a vision and masterplan study which is being undertaken in association with two other bodies (Leeds Museums & Galleries and Leeds Libraries) for Leeds Headrow, where Leeds Art Gallery, Leeds Central Library and the Henry Moore Institute are located adjacent to each other. The Henry Moore Foundation will also contribute to this project and will administer the funding and expenditure.

STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|-------------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------|-------------------------------------|
| DESIGNATED FUNDS | | | | | | |
| Investment Fund | 84,880,667 | - | - | (4,394,375) | 15,695,294 | 96,181,586 |
| Capital Reserve Fund | 15,709,527 | - | - | (698,015) | - | 15,011,512 |
| Heritage Asset Fund | 1,542,917 | - | - | - | - | 1,542,917 |
| General reserve | - | - | - | 4,351,553 | - | 4,351,553 |
| Other Designated Funds | 1,064,727 | 89,022 | (104,426) | 369,697 | - | 1,419,020 |
| | <u>103,197,838</u> | <u>89,022</u> | <u>(104,426)</u> | <u>(371,140)</u> | <u>15,695,294</u> | <u>118,506,588</u> |
| GENERAL FUNDS | | | | | | |
| Charity Reserves | 4,905,083 | 2,908,577 | (4,705,048) | 371,140 | - | 3,479,752 |
| HMF Enterprises Limited | 173,934 | 74,934 | (110,602) | - | - | 138,266 |
| | <u>5,079,017</u> | <u>2,983,511</u> | <u>(4,815,650)</u> | <u>371,140</u> | <u>-</u> | <u>3,618,018</u> |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 March 2021 £ |
|-----------------------------------|---------------------------------|-------------|------------------|--------------------------|-------------------------|-------------------------------------|
| TOTAL UNRESTRICTED FUNDS | 108,276,855 | 3,072,533 | (4,920,076) | - | 15,695,294 | 122,124,606 |
| RESTRICTED FUNDS | | | | | | |
| Yorkshire Sculpture International | 96,554 | 143,500 | (123,973) | - | - | 116,081 |
| TOTAL OF FUNDS | 108,373,409 | 3,216,033 | (5,044,049) | - | 15,695,294 | 122,240,687 |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 14,385,614 | 14,385,614 |
| Fixed asset investments | - | 99,201,475 | 99,201,475 |
| Investment property | - | 2,760,000 | 2,760,000 |
| Heritage assets | - | 1,542,917 | 1,542,917 |
| Current assets | 70,773 | 8,953,433 | 9,024,206 |
| Creditors due within one year | - | (946,968) | (946,968) |
| TOTAL | 70,773 | 125,896,471 | 125,967,244 |

GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 15,011,512 | 15,011,512 |
| Fixed asset investments | - | 93,421,586 | 93,421,586 |
| Investment property | - | 2,760,000 | 2,760,000 |
| Heritage assets | - | 1,542,917 | 1,542,917 |
| Current assets | 116,081 | 10,241,231 | 10,357,312 |
| Creditors due within one year | - | (852,640) | (852,640) |
| TOTAL | 116,081 | 122,124,606 | 122,240,687 |

THE HENRY MOORE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

FOUNDATION ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 14,466,420 | 14,466,420 |
| Fixed asset investments | - | 99,208,061 | 99,208,061 |
| Investment property | - | 2,760,000 | 2,760,000 |
| Heritage assets | - | 1,542,917 | 1,542,917 |
| Current assets | 70,773 | 8,820,878 | 8,891,651 |
| Creditors due within one year | - | (1,000,634) | (1,000,634) |
| TOTAL | <u>70,773</u> | <u>125,797,642</u> | <u>125,868,415</u> |

FOUNDATION ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 15,011,512 | 15,011,512 |
| Fixed asset investments | - | 93,428,172 | 93,428,172 |
| Investment property | - | 2,760,000 | 2,760,000 |
| Heritage assets | - | 1,542,917 | 1,542,917 |
| Current assets | 116,081 | 10,086,181 | 10,202,262 |
| Creditors due within one year | - | (842,442) | (842,442) |
| TOTAL | <u>116,081</u> | <u>121,986,340</u> | <u>122,102,421</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | Group 2022 £ | Group 2021 £ |
|--|--------------------|--------------------|
| Net income/(expenditure) for the year (as per Statement of Financial Activities) | 3,726,557 | 13,867,278 |
| ADJUSTMENTS FOR: | | |
| Depreciation charges | 625,898 | 584,316 |
| Dividends, interests and rents from investments | (2,229,647) | (2,247,190) |
| Gains on investments | (5,827,508) | (15,695,294) |
| Increase in stocks | (399) | (9,051) |
| (Increase)/decrease in debtors | (93,785) | 32,829 |
| Increase in creditors | 94,328 | 52,819 |
| Loss on disposal of fixed assets | - | 194,712 |
| NET CASH USED IN OPERATING ACTIVITIES | (3,704,556) | (3,219,581) |

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | Group 2022 £ | Group 2021 £ |
|--|--------------------|--------------------|
| Cash in hand | 3,569,990 | 8,010,960 |
| Notice deposits (less than 3 months) | 5,059,181 | 2,045,501 |
| TOTAL CASH AND CASH EQUIVALENTS | 8,629,171 | 10,056,461 |

25. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|--------------------------|-------------------------|--------------------|--------------------------|
| Cash at bank and in hand | 10,056,461 | (1,427,290) | 8,629,171 |
| | 10,056,461 | (1,427,290) | 8,629,171 |

THE HENRY MOORE FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

26. CAPITAL COMMITMENTS

| | Group 2022 £ | Group 2021 £ | Foundation 2022 £ | Foundation 2021 £ |
|--|--------------------|--------------------|-------------------------|-------------------------|
| CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS | | | | |
| Acquisition of tangible fixed assets | - | 18,800 | - | 18,800 |

27. PENSION COMMITMENTS

The pension cost charge represents contributions payable by the Foundation to the schemes and amounted to £201,438 (2021 - £193,218).

Contributions totalling £23,799 (2021 - £22,958) were payable to the schemes at the balance sheet date and are included in creditors.

28. RELATED PARTY TRANSACTIONS

During the year, the Foundation received a deed of covenant distribution from its subsidiary, HMF Enterprises Ltd of £831 (2021 - £Nil). A recharge totalling £118,275 (2021 - £81,871) was made to the subsidiary for costs paid by the Foundation. During the year, the subsidiary collected visitor admission income on behalf of the Foundation, net of other income due back to the subsidiary, of £245,472 (2021 - £123,720).

As at 31 March 2022, a debtor of £342,300 (2021 - £211,516) remained outstanding.

29. CONTROLLING PARTY

There is no controlling party. The charitable company is controlled by the Trustees, who are listed on page 1, as a body.