

THE JERWOOD CHARITABLE FOUNDATION

Charity Number 1074036
Company Number 3679284

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2013

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The Jerwood Charitable Foundation
A registered charity and a company limited by guarantee
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Report of the Directors
for the year ended 31st December 2013

1 Report of the directors for the year ended 31st December 2013

The Directors are pleased to present their report, together with the financial statements of the Charity, for the year ended 31st December 2013

2 General Information

Directors/Trustees The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the directors. The directors serving during the year and since the year end were as follows

Lucy Ash (appointed 23 October 2013)
Phyllida Earle
Tim Eyles (Chairman)
Katharine Goodison
Thomas Greve
Anthony Palmer
Rupert Tyler
Julia Wharton

Director (executive) Shonagh Manson

General Manager Jon Opie

Secretary Anthony Leigh

Registered Office 171 Union Street, London SE1 0LN

Auditors Moore Stephens (Guildford) LLP, Chartered Accountants, Priory House, Pilgrims Court, Sydenham Road, Guildford GU1 3RX

Bankers Royal Bank of Scotland, 43 Curzon Street, London W1Y 7RF

Solicitors Taylor Wessing, 5 New Street Square, London EC4A 3TW

3 Structure, governance and management

Governing document and constitution

The Jerwood Charitable Foundation was incorporated on 1st December 1998 and started operations on 1st April 1999. It is a registered charity and a company limited by guarantee with no share capital, exempted under Section 60 of the Companies Act 2006 from the requirement to use Limited as part of its name. The governing document is the Memorandum and Articles of Association dated 1st December 1998.

Related organisations

The Jerwood Charitable Foundation received its endowment from the Jerwood Foundation, which continues as a grant-making organisation. The Jerwood Charitable Foundation shares office premises with Jerwood Space, with which it regularly works in partnership to pursue its charitable purposes. The two organisations share one common board member.

Recruitment and appointment of trustees

Trustees are recruited on the recommendation of the Chairman of the Jerwood Charitable Foundation in consultation with the full board. Any appointments to the Board of the Jerwood Charitable Foundation are made with the assent of the majority of the Trustees at a Board meeting. The Jerwood Foundation is able to appoint and remove any Trustees from the Board of the Jerwood Charitable Foundation. An agreement is in place that the Jerwood Foundation will not use these powers without prior consultation with the Chairman of the Jerwood Charitable Foundation.

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Induction and training of trustees

The Board of the Jerwood Charitable Foundation has set up procedures for the induction and training of Trustees, appropriate to the size and nature of the Charity

Organisational structure

The governance of the Charity is carried out by a Board of Directors (acting as Trustees of the Charity) that meets quarterly. A sub-committee of the Board, the Finance and Investment Committee, is responsible for developing financial and investment strategy, and for measuring performance in these areas. A sub-committee of the Board, the Risk Management Committee, meets once yearly to review the major risks to which the Charity is exposed and includes the Chairman, Director and Vice-Chair of the Finance and Investment Committee.

Day-to-day management is delegated to the Director, who is also responsible for implementing the Charity's strategic plan. Strategic planning is carried out in partnership between the Director and the Board. A Strategy meeting of the full Board is held once a year outside of and in addition to quarterly meetings.

In addition to the Director, there are three staff of the Charity as follows: the full time post of General Manager who oversees the effective and efficient internal management of the Charity, a part-time Communications Manager who is responsible for strategy and activity in that area, and a part-time Administration Assistant. Apart from the Trustees, no volunteers are involved in carrying out work for the Charity.

Decision-making

All grant applications are screened internally by the Director and General Manager to ensure that they meet the guidelines of the Charity and its current priorities for public benefit before a decision is made to place them before the Trustees. Thereafter, there are three levels of decision-making by the Jerwood Charitable Foundation and its Trustees in relation to applications:

- 1 Major decisions require the consensus of all Trustees, which may be made either at or between quarterly Trustee meetings
- 2 The Chairman and Director have authority to make decisions on three grants of up to £20,000 each between quarterly Trustee meetings
- 3 A smaller committee of Trustees may make decisions up to a limit of £10,000 per grant

Any decisions made between the full quarterly meetings of Trustees must be ratified at the next meeting of the full Board. These procedures were agreed by the Board on 6th February 2007 and reviewed and reaffirmed by them at the annual Strategy meeting on 17th May 2013.

Risk management

In light of the current complex financial climate and continuing changes in policy and funding in the public sphere, the major risks to which the Charity is exposed were discussed in detail by the Director and the Trustees at the Risk Management, Board and Finance and Investment Committee meetings on 12th December 2013 and 29th January 2014 respectively. This is part of the regular process of reviewing and continually updating the Charity's procedures to manage and mitigate risk.

Factors within and outside the Charity's control

The most significant risks remain the impact of financial market forces on the Charity's ability to maintain its current grant-making level, and the potential impact of the loss of key members of the Charity's staff. The effectiveness of the initiatives of the Charity, together with its reputation, is also vulnerable to the impact of the wider environment on the organisations it partners. It is recognised that the Charity's key assets include its staff and Trustees, for whom development and retention strategies are a key focus.

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Accounting records

The preparation of the Chanty's accounting records is outsourced to the Chanty's accountant, who is suitably qualified to carry out this task. Internal controls, suitable for a charity of this size, are in place to protect the Chanty's funds and to ensure their proper application.

4. Objectives and activities of the Charity

Objects

The governing document states that the objects of the Charity are of such general charitable purposes as the Charity may from time to time decide. Currently these objects are the distribution of grants to individuals and organisations for the advancement and promotion of the arts across all art-forms in the UK, and other areas of human endeavour and excellence.

The Chanty's aims

The Jerwood Charitable Foundation aims to provide funding for the arts in imaginative and responsible ways, in order that arts organisations, art-forms and public audiences for the arts can thrive, and that artists can be enabled and empowered to develop their skills, imagination and creativity with integrity. It aims to help artists at important and significant stages in their careers, with a particular focus on supporting a broad range of early career artists and arts producers, so that they in turn can provide higher quality, better informed and more diverse work in their chosen forms for the benefit of a wider public. The Trustees have complied with their duty to have due regard to the guidance, published by the Charity Commission, on public benefit in exercising their powers or duties.

Objectives

The objectives of the Chanty are to benefit artists and arts organisations:

- Through supporting artists and arts producers, particularly in the early stages of their careers,
- Through supporting the development of the wider infrastructure of arts organisations and the arts sector,
- Through continuing to respond positively to those taking artistic risks,
- Through proactively identifying and leading programme and mission-related funding opportunities, whilst maintaining an open, responsive strand of funding,
- Through maintaining appropriate reserves to ensure the Chanty's grant-making activity is responsibly protected against negative market changes,
- Through managing its endowment responsibly to enable the Chanty to achieve its objectives for public benefit.

Strategies

The Chanty continues to build a broad portfolio of programmes and projects that identify and respond to the needs of artists working in and across different art-forms and in different contexts. These opportunities include, but are not limited to, providing mentoring, professional development opportunities, commissioning of new work, residencies, awards, bursaries, support for new collaborations, research and other means that will enable artists to achieve their aspirations, move forward in their careers and provide higher quality, better informed and more diverse work for a wider public. The Chanty operates open, responsive funding strands through its Main Grants and Small Grants programmes, to which anyone undertaking charitable activity within the priority areas of the Chanty may apply. It also uses its specialist knowledge and advisory network to lead and develop particular initiatives for public benefit. In the visual arts in particular, the Chanty provides opportunities for artists through the development of a free public visual arts gallery programme, Jerwood Visual Arts, based in London and on tour for audiences across the UK. Through its regular

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strategic planning processes the Charity will continue to assess the appropriateness of these strategies in the context of changes to external environments

Grant-making policy and priorities

The application guidelines of the Jerwood Charitable Foundation are regularly reviewed and updated, particularly through its annual Strategy Meeting of the Trustees, and are published on its website

5. Achievements and performance

Activities

In 2013, grants payable by the Charity were £1.4m (2012 £1.3m), across art-forms in varying levels and contexts, as follows: Jerwood Visual Arts 33%, Mentoring and Professional Development 26%, Research and Development 16%, Commissioning and Production 13% and Small Grants 12%. The Charity provided funding for 46 project grants (2012 44) of between £1,500 and £104,623. It worked with 42 arts organisations (2012 34) and directly with eight individuals as project grant holders (2012 5). Through these grants and subsequent project activity, the Charity supported 624 individual beneficiaries (2012 460), as well as further significant public and artistic audiences for the works resulting from each project. Its projects across the year can again be retrospectively categorised into five main areas of focus: Jerwood Visual Arts, Mentoring and Professional Development, Research and Development, Commissioning and Production, and Small Grants.

Jerwood Visual Arts continues to be a major initiative of the Charity. In 2013, the Charity staged six new exhibitions through Jerwood Visual Arts, supporting 125 artists (2012 105) including the origination and presentation of 17 new commissions (2012 18). Through the Jerwood Visual Arts programme, the Charity worked with 22 respected curators and selectors from across and outside of the visual arts sector, continued a successful partnership with arts organisation Film and Video Umbrella and introduced new collaborations with Forestry Commission England and Photoworks. It toured five exhibitions across England, Wales and Scotland, resulting in 45,790 visits (2012 43,600) across its work. In addition to these exhibitions, the Charity also funded three Writer in Residence posts, a programme of three new artistic commissions by emerging visual artists in Café 171 at Jerwood Space, and provided three paid internship opportunities within the gallery. It delivered a free series of public talks and events across the programme, many of which were also recorded and made available online for free for the public in its web archive and which were attended by audiences of 1,662 (a figure already included in the visitor figures above).

Of the Charity's total programmes in 2013, 24 were new projects (2012 21), including 17 small grants (2012 15). Across the Charity's Main Grants programme, new projects included support for a new regional producer development network led by Battersea Arts Centre, the inaugural Circus Propeller Prize, continuing a well-matched collaboration between the Roundhouse, Jackson's Lane and Circus Space, artist Bryony Kimmings' daring social campaign and theatre show *Credible Likeable Superstar Role Model*, a protest against prevalent attempts to commodify childhood through popular culture, the new Jazzlines Fellowships established by Town Hall & Symphony Hall, Birmingham, to develop up-and-coming young jazz musicians, the first placement in a new programme to scale-up the practice of talented theatre directors in Scotland through Untitled Projects and Citizen Theatre, Glasgow's new Main Stage Directors' Residency, and an innovative new commissioning model for dance research led by DanceXchange, the Jerwood Choreographic Research Project. Within Jerwood Visual Arts, two new curated exhibitions were realised which supported external partners, Nick Eagleton and Photoworks, and a significant new partnership to commission major new art works in the Public Forest Estate was launched with Forestry Commission England.

The Charity also progressed and continued significant relationships with existing project partners, from the opportunities for emerging writers offered through the Royal Court's Jerwood New Playwrights programme, to the Young Vic's outstanding Jerwood Assistant Directors programme, the Jerwood/Arvon Mentoring Scheme, the Charity's support of young opera singers with

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Glyndebourne's Jerwood Chorus Development Scheme, and both the choreographer development programme Sadler's Wells Summer University and new commissioning of cross art form projects through the Jerwood Studio at Sadler's Wells. Within Jerwood Visual Arts, an established partnership with Film and Video Umbrella developed and the second edition of the Jerwood/Film and Video Umbrella Awards were launched, supported by both Jerwood Charitable Foundation and Film and Video Umbrella in association with CCA Centre for Contemporary Arts, Glasgow, and University of East London, School of Arts and Digital Industries, and by Arts Council England through their funding of Film and Video Umbrella. The Jerwood Drawing Prize, founded and run by Drawing Projects UK, continued into its 19th year and its tour accounted for 25,850 of the gallery visits cited above. The programme also produced five new significant craft commissions through the third Jerwood Makers Open exhibition, and the Charity launched submissions for a fourth edition of the project in 2014. The second edition of Jerwood Painting Fellowships produced an exhibition of new works by three emerging painters.

A measure of the Charity's effectiveness in achieving its mission for public benefit is through the accolades and opportunities which its beneficiaries go on to receive during and after working with the Charity and its funded partners. Past participants of our programmes continued to take their achievements to the next level across 2013, and to take the work developed through our support to wider public audiences.

Through Jerwood Visual Arts, this included recognition for artists commissioned through Jerwood Makers Open, James Rigler was selected for the V&A's prestigious Ceramics Residency, Nao Matsunaga won the £10,000 British Ceramics Biennials Award, and Adam Buick was awarded the Ceramic Review Award at Ceramic Art London. From the Jerwood Painting Fellowships, Sophia Starling was selected by artist Paul Noble for APT's *Creekside Open*, Susan Sluglett was elected to join The London Group, Connna Till presented her first solo show at Standpoint Gallery, London, and Cara Nahaul continued her study at Parsons New School for Art and Design in New York, funded by a Fulbright Commission Scholarship, the Oscar Kolin Fellowship Award and The New School Merit Scholarship. Clare Mitten received the inaugural Bow Arts Prize 2013.

Ed Atkins and Emma Hart, artists who both developed new work through the Jerwood/Film and Video Umbrella Awards. Tomorrow Never Knows, were nominated for the Jarman Award 2013, along with Grace Schwindt to whom also we awarded funding this year. Eddie Peake, who made new work in *An Experiment in Collaboration* curated by our own Sarah Williams, gained representation from White Cube, a substantial step for a young artist.

In other initiatives, Chloe Lamford, a Jerwood Young Designer at the Gate in 2009 and 2010, received the Arts Foundation Fellowship for Design for Performance. Gwyneth Herbert, a participant on Senous' Take Five programme, was also shortlisted for the Arts Foundation award for Composition for Musicals. From Jerwood New Playwrights at the Royal Court, Rachel De-laHay was named by The Independent as Screen International Star of Tomorrow and won Most Promising Playwright at the Evening Standard Awards, and Nick Payne's *Constellations*, which transferred to the West End in 2012, was subsequently nominated for four Olivier Awards. Matt Hulse's film *Dummy Jim* won Best in Festival at the Edinburgh International Film Festival. Roger Hiorns' extraordinary Jerwood/Artangel Open commission *Seizure*, 2008/2013, opened at Yorkshire Sculpture Park in 2013. This significant work was gifted to the Arts Council Collection by the artist, Artangel and Jerwood Charitable Foundation with support from the Art Fund and the Henry Moore Foundation. Young design organisation Make Works travelled 3,000 miles across Scotland for the new Make Works Directory, winning a Creative Edinburgh Award for Best New Start Up. Chelsey Flood and Julie Mayhew, both Jerwood/Arvon Mentoring Scheme graduates, published their first novels, *An Infinite Sky* and *Red Ink* respectively. We were also proud to mark the advent of the tenth Royal Society of Literature Jerwood Awards for Non-Fiction. Marcus Coates and Liliane Lijn, artists who have both made work supported by the Charity, were shortlisted for the Fourth Plinth Commission for Trafalgar Square, exhibiting their proposals in London.

The above examples highlight the quality and breadth of the organisations and beneficiaries the Charity has supported across the year.

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6 Financial review

Sources of funding

The Jerwood Charitable Foundation funds its grants programme and administrative costs mainly from the investment income and gains generated on its endowment fund. In 2013 the Charity was also successful in securing a grant of £240,000 from the Garfield Weston Foundation in support of the future launch of a new Creative Bursaries Programme (scheme name to be confirmed in 2014), a national talent development programme inspired by the successes of the DCMS Jerwood Creative Bursaries which the Charity and the Jerwood Foundation ran from 2010 to 2012. The Charity is grateful for the award from the Garfield Weston Foundation.

Financial position

After making full provision for grants committed at the year end, net funds increased over the year by £1,080,207 (2012 increase £773,234), the detailed financial position of the Charity at the year end is set out in the Balance Sheet on page 12.

Resources expended

The total cost of grant-making in the year, including investment management costs, was £2,091,648 (2012 £1,343,487) and governance costs amounted to £89,522 (2012 £85,573).

Reserves

The Charity's endowment is expendable, but the aim of the Board of Trustees is to maintain the original capital value of the endowment in real terms so far as possible and not to deplete it for general funding purposes, other than in unusual circumstances.

The Finance & Investment Committee, which was set up to monitor the endowment fund, has agreed that it is prudent to maintain reserves for the following reasons:

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

After allowing for provisions for future grants committed, the Endowment Fund balance at 31st December 2013 amounted to £27,090,766, in addition to which the Charity held balances of £240,092 in a Restricted Fund and £246,414 in its unrestricted General Fund.

On the basis of these expendable balances, it is the Board's view that the reserves available are sufficient to fulfil their policy as set out above.

Investment policy and objectives

Under the Memorandum and Articles of Association, there are no restrictions on the Charity's powers to invest. The Trustees' investment policy is to achieve long-term capital growth in real terms, whilst providing a yield in excess of the UK Equity Markets. The funds are managed by JO Hambro who have been set a target total return of 7% per annum. At the year end, 62% (2012 55%) of available funds were invested in the UK, with the remainder spread globally.

Investment performance

The total return on investments, before fees, for 2013 was +11.35% (2012 +8.37%) against a target return of +7% per annum. During the year under review, investment income amounted to £947,002 (2012 £965,743), realised gains on disposals were £807,062 (2012 gains £1,020,156), and unrealised gains on revaluation were £1,242,199 (2012 gains £195,336).

The investment portfolio of £25,000,000, whose transfer from Jerwood Foundation was completed in 2005, was valued on 31st December 2013 at £28,412,648 (2012 £27,044,938).

Donated services and facilities

No services or facilities were donated to the Charity during the year.

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7 Plans for Future Periods

In the year 2014, the Charity's main focus will be to

- Provide artists with supported opportunities for professional development and to make and exhibit new bodies of work, to launch key new projects, and to develop the Charity's partnership working through Jerwood Visual Arts,
- Balance support for new projects and organisations with continued funding for longer term project partners through its Main Grants programme,
- Continue its Small Grants programme as a means of testing new relationships with individual artists as well as with organisations, and to support artistic risks, and to advocate for other funders to support artists directly,
- Raise the profile of its beneficiaries through the networking, marketing and press support it can offer them alongside the financial grants it makes,
- Steward the level of ongoing commitments it makes with the continuing successful management of its endowment through an economically uncertain time

8 Trustees' responsibilities in relation to the financial statements

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, the company's directors certify that

- So far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and
- They have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information

9. Small Company Exemptions

This report has been prepared in accordance with the special provisions in Section 415A of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (FRSSE) issued in April 2008.

By Order of the Board



Tim Eyles Chairman

29th April 2014

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Independent Auditor's Report to the Members of the Jerwood Charitable Foundation

We have audited the financial statements of the Jerwood Charitable Foundation for the year ended 31st December 2013 which are set out on pages 11 to 21. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Charitable Company's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charitable Company's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, 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.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2013 and of its 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 (applicable to smaller entities), and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Directors is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit.

Moore Stephens (Guildford) LLP
Moore Stephens (Guildford) LLP
Statutory Auditor
Chartered Accountants

6th May 2014
Priory House, Pilgrim's Court
Sydenham Road, Guildford
Surrey GU1 3RX

Moore Stephens (Guildford) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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Statement of Financial Activities
for the year ended 31st December 2013

	Note	Unrestricted	Restricted	Endowment	2013 Total	2012 Total
		£	£	£	£	£
Incoming resources						
Investment income	13	-	-	947,002	947,002	965,743
Activities for generating funds	3	24,304	-	-	24,304	20,386
Grant received for Charitable Activities	17	-	240,000	-	240,000	-
Bank interest		146	92	-	238	132
Sundry income		572	-	-	572	541
Total incoming resources		25,022	240,092	947,002	1,212,116	986,802
Resources expended						
<i>Charitable activities</i>						
Grants payable	3	1,359,829	-	-	1,359,829	1,262,411
Increase/(decrease) in grants committed	3	496,272	-	-	496,272	(131,728)
Support costs	15	151,301	-	-	151,301	131,168
<i>Cost of generating funds</i>						
Investment management costs		-	-	84,246	84,246	81,636
Cost of grant-making		2,007,402	-	84,246	2,091,648	1,343,487
Governance costs	15	89,522	-	-	89,522	85,573
Total resources expended		2,096,924	-	84,246	2,181,170	1,429,060
Net (outgoing)/incoming resources before transfers		(2,071,902)	240,092	862,756	(969,054)	(442,258)
Transfers between funds	16	1,957,534	-	(1,957,534)	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		(114,368)	240,092	(1,094,778)	(969,054)	(442,258)
Gains on investment assets		-	-	2,049,261	2,049,261	1,215,492
Net movements in funds		(114,368)	240,092	954,483	1,080,207	773,234
Total funds brought forward		360,782	-	26,136,283	26,497,065	25,723,831
Total funds carried forward		246,414	240,092	27,090,766	27,577,272	26,497,065

The above statement includes all gains and losses recognised in the year
All incoming and outgoing resources derive from continuing activities

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Balance Sheet as at 31st December 2013

	Note	Unrestricted	Restricted	Endowment	2013 Total	2012 Total
		£	£	£	£	£
Fixed assets						
Tangible assets	4	2,712	-	-	2,712	-
Investments	5	1,029,737	-	27,382,911	28,412,648	27,044,938
Total fixed assets		1,032,449	-	27,382,911	28,415,360	27,044,938
Current assets						
Debtors	6	285,646	-	-	285,646	348,879
Bank accounts		44,908	240,092	-	285,000	26,033
Total current assets		330,554	240,092	-	570,646	374,912
Creditors (falling due within one year)	7	(1,001,551)	-	(292,145)	(1,293,696)	(912,785)
Total current liabilities		(1,001,551)	-	(292,145)	(1,293,696)	(912,785)
Total assets less current liabilities		361,452	240,092	27,090,766	27,692,310	26,507,065
Creditors (falling due after one year)	8	(115,038)	-	-	(115,038)	(10,000)
Net assets		246,414	240,092	27,090,766	27,577,272	26,497,065
Charitable funds						
Unrestricted		246,414	-	-	246,414	360,782
Restricted		-	240,092	-	240,092	-
Endowment	9	-	-	27,090,766	27,090,766	26,136,283
Total charitable funds		246,414	240,092	27,090,766	27,577,272	26,497,065

For the year ended 31st December 2013 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies. However, an audit is required in accordance with section 144 of the Charities Act 2011.

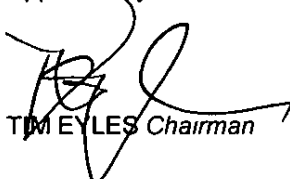
Directors' Responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 13 to 21 form part of these financial statements.

Approved by the Board of Directors on 29th April 2014 and signed on its behalf by


TIM EYLES Chairman

The Jerwood Charitable Foundation

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Notes to the Financial Statements for the year ended 31st December 2013

1 Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the *Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005)* issued in March 2005 and the Financial Reporting Standard for Smaller Entities (FRSSE) issued in April 2008. The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Company Status

The Charity is a company limited by guarantee. There are two members of the company. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(c) Incoming resources

Income is recognised in the financial statements when the Charity is legally entitled to it and the income can be quantified with reasonable accuracy. Income arising from the Endowment Fund is unrestricted.

(d) Resources expended

Expenditure is recognised on an accruals basis. Grants, however, are charged in the year either when paid, or when a contractual or constructive obligation exists to pay a recipient in the future.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(f) Charitable activities

Costs of charitable activities include grants made and an apportionment of support costs as shown in note 15.

(g) Support and Governance costs

Support costs are allocated between Governance and Charitable Activities on a staff time basis, consistent with the use of resources. Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice - these include costs related to statutory audit fees together with an apportionment of overhead and support costs, as shown in note 15.

(h) Capitalisation of expenditure

Individual items of expenditure on repairs, renewals, equipment, fixtures and fittings which exceed £1,000 are capitalised.

(i) Tangible fixed assets and depreciation

Provision for depreciation of fixed assets held for use by the charitable company is made at annual rates calculated to spread the cost of each asset over its expected useful life. The depreciation rates currently in use are:

Computer equipment	Written off over 3 years
Fixtures & furniture	Written off over 3 years

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Notes to the Financial Statements for the year ended 31st December 2013

- (j) **Investments and realised gains and losses**
Investments are stated at mid-price value. All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between proceeds of sale and cost of purchase. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later). Realised and unrealised gains are not separated in the Statement of Financial Activities.
- (k) **Taxation**
No provision for taxation is included in the accounts as the charitable company is entitled to exemption from tax afforded by Section 505 of the Income and Corporation Taxes Act 1988.
- (l) **Pensions**
Retirement benefits for the Director of the Jerwood Charitable Foundation are provided by a money-purchase scheme with Virgin Money. The Charity's contribution is restricted to the contributions disclosed in note 2. All regular contributions are paid by standing order as they fall due.
- (m) **Foreign currencies**
Assets in other currencies at the balance sheet date are translated into pounds sterling at the rate ruling on that date. Transactions during the year have been translated into pounds sterling at the rate ruling on the date of the transaction. Exchange differences arising during the year are dealt with in the Statement of Financial Activities.
- (n) **Funds**
Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.
Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors. Further details about the Restricted Funds are set out in the notes to the financial statements.
The Endowment Fund represents a permanent expendable endowment from the Jerwood Foundation. Further details about this fund are set out in the notes to the financial statements.

2. Staff costs

	<u>2013</u>	<u>2012</u>
	£	£
Salaries	121,788	112,372
Social security costs	12,277	11,273
Pension costs	4,642	5,572
Other costs	7,528	6,634
	<u>146,235</u>	<u>135,851</u>

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**Notes to the Financial Statements
for the year ended 31st December 2013**

The average number of persons employed by the company during the year was

4

4

The number of employees paid in excess of £60,000 in the year was

0

0

There were no amounts owing to the pension scheme at the year end (2012 Nil)

3. Grants payable

Grants payable for the year can be further analysed by art-form category and activity type, as follows

<u>Grants payable during the year</u>	<u>£</u>
Grants payable	1,359,829
Income generated towards grant costs	(24,304)
	<u>1,335,525</u>
<i>Being</i>	
Grants to Institutions	1,180,688
Grants to Individuals	154,837
	<u>1,335,525</u>

Analysed as follows

	<u>Grants to institutions</u>	<u>Grants to individuals</u>
	<u>£</u>	<u>£</u>
<i>Jerwood Visual Arts</i>		
Jerwood Drawing Prize 2013	46,441	17,000
Jerwood Encounters, After Hours	22,025	-
Jerwood Encounters, Family Politics	15,427	6,000
Jerwood Encounters, Now I Gotta Reason	764	-
Jerwood/Film and Video Umbrella Awards	24,014	-
Jerwood Makers Open 2013	58,812	37,500
Jerwood Open Forest	25,650	10,000
Jerwood Painting Fellowships 2013	39,489	3,000
Jerwood Space, Jerwood Visual Arts	63,500	-
Jerwood Visual Arts Costs	54,807	1,500
Jerwood Visual Arts Project Space	-	1,500
<i>Main grants</i>		
Arvon Foundation Jerwood/Arvon Mentoring Scheme	54,460	-
Aurora Orchestra New Moves Programme, Jerwood Commissions	18,000	-
Battersea Arts Centre Regional Producers Network	32,500	-
Bryony Kimmings Credible Likeable Superstar Role Model	-	16,000
Cove Park Jerwood Residencies	20,000	-
DanceXchange Jerwood Choreographic Research Project	50,000	-
Gate Theatre Jerwood Young Designers	28,000	-
Glyndebourne Jerwood Chorus Development Scheme	60,000	-
Grace Schwindt Only A Free Individual Can Create A Free Society	-	15,650
Performances Birmingham Ltd Jazzlines Fellowships	28,000	-
Aldeburgh Music Jerwood Opera Writing Programme	55,283	-
London Sinfonietta Blue Touch Paper programme	40,000	-

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**Notes to the Financial Statements
for the year ended 31st December 2013**

<u>Grants payable (continued)</u>	<u>Grants to institutions</u> £	<u>Grants to individuals</u> £
Pacitti Company Spill National Platform and Spill National Showcase 2012/13	21,225	-
Requardt & Rosenberg The Roof & Castle	28,852	-
Roundhouse The Circus Propeller Prize	17,491	-
Royal Court Theatre Jerwood New Playwrights	75,000	-
Royal Society of Literature Jerwood Award for Non Fiction	31,500	-
Sadler's Wells Jerwood Studio - Cross Art Form Projects	54,275	-
Sadler's Wells Jerwood Studio - Summer University	45,725	-
Serious Music Take Five Edition IX	22,000	-
The Opera Group Incubator	18,150	-
Untitled Projects Main Stage Director Residency	10,400	-
Young Vic Jerwood Assistant Directors Programme	10,000	-
Small grants		
Andy Field 34 Brstols	-	10,000
Art Licks Art Licks Weekend, Stop, Look, Listen!	7,500	-
Buzzcut Buzzcut Festival 2013	-	10,202
Camden People's Theatre artistic direction development	9,962	-
Chris Goode and Company Albemarle	5,000	-
Forest Fringe Edinburgh Festival Fringe 2013	9,975	-
Gareth Evans and Film and Video Umbrella Stay Where You Are	10,000	-
Gateshead International Festival of Theatre 2013	7,000	-
Chisenhale Gallery, Studio Voltaire and The Showroom How to Work Together	10,000	-
Make Works Make Works Tour	10,000	-
Mark Bowden Creation	-	7,695
Mark Murphy Out of Body	9,925	-
non zero one just to come back	9,600	-
ResonanceFM Commissions of Radiophonic Art	10,000	-
Soosan Lolavar Stay Close	-	9,440
The Campsite The Campsite Retreat	9,936	-
Trish Clowes Emulsion	-	9,350
	1,180,688	154,837

Grants contractually committed during the year

	£
Increase in provision	496,272
	496,272

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Notes to the Financial Statements
for the year ended 31st December 2013

4 Fixed Assets (held for direct charitable purposes)

	Computer equipment	Fixtures & furniture	Total
<u>Cost</u>	£	£	£
Balance at 1st January 2013	2,407	5,447	7,854
Additions (disposals) in the year	-	4,068	4,068
Balance at 31st December 2013	<u>2,407</u>	<u>9,515</u>	<u>11,922</u>
 <u>Depreciation</u>			
Balance at 1st January 2013	2,407	5,447	7,854
Charge for the year	-	1,356	1,356
Balance at 31st December 2013	<u>2,407</u>	<u>6,803</u>	<u>9,210</u>
 <u>Net book value</u>			
At 31st December 2013	<u>-</u>	<u>2,712</u>	<u>2,712</u>
 At 31st December 2012	<u>-</u>	<u>-</u>	<u>-</u>

5 Investments

	<u>2013</u>	<u>2012</u>
	£	£
Market Value at 1st January 2013	27,044,938	26,444,707
Income	947,002	965,743
Realised and unrealised gains/(losses)	2,049,261	1,215,492
Withdrawals	(1,545,000)	(1,500,000)
Management costs deducted	(83,553)	(81,004)
Market Value at 31st December 2013	<u>28,412,648</u>	<u>27,044,938</u>

The above movements on investments included additions of £7,187,677 (2012 £4,142,533), disposals of £6,842,710 (2012 £4,779,563), realised gains of £807,062 (2012 £1,020,156) and unrealised gains on revaluation of £1,242,199 (2012 £195,336)

The investments are split between the following funds

	<u>2013</u>	<u>2012</u>
	£	£
J O Hambro Main Fund	26,376,090	24,528,673
J O Hambro Special Cash Reserve	<u>2,036,558</u>	<u>2,516,265</u>
	<u>28,412,648</u>	<u>27,044,938</u>

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for the year ended 31st December 2013

Investments are analysed as follows

	Investments in the UK	Investments outside the UK	Total
	£	£	£
Cash and cash equivalents	905,606	-	905,606
Hedge funds	-	-	-
Other listed investments	16,844,459	10,662,583	27,507,042
	<u>17,750,065</u>	<u>10,662,583</u>	<u>28,412,648</u>

6. Debtors (General Fund)

	<u>2013</u>	<u>2012</u>
	£	£
Funds due from Endowment	271,165	316,165
Parker Harris client accounts	12,887	29,617
Sundry debtors and prepayments	1,594	3097
	<u>285,646</u>	<u>348,879</u>

Some income and expenditure relating to Jerwood Visual Arts is handled by the visual arts consultancy Parker Harris, and the debtor shown above relates to funds held at the year end in client bank accounts designated on behalf of Jerwood Charitable Foundation

7 Creditors (falling due within one year)

	<u>2013</u>	<u>2012</u>
	£	£
<u>General Fund</u>		
Grants committed (prior and current years)	155,704	107,700
Grants committed (future years)	820,777	400,368
Other creditors and accruals	25,070	68,266
	<u>1,001,551</u>	<u>576,334</u>
<u>Endowment Fund</u>		
Funds due to General Fund	271,165	316,165
Accruals	20,980	20,286
	<u>292,145</u>	<u>336,451</u>
Total creditors (falling due within one year)	<u>1,293,696</u>	<u>912,785</u>

8. Creditors (falling due after one year)

	<u>2013</u>	<u>2012</u>
	£	£
<u>General Fund</u>		
Grants committed	115,038	10,000
	<u>115,038</u>	<u>10,000</u>

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Notes to the Financial Statements for the year ended 31st December 2013

9 Endowment Fund

The Endowment Fund represents a permanent expendable endowment from The Jerwood Foundation. The Fund is invested to provide income and capital growth out of which to make future grants, at the same time as maintaining the capital value of the fund in real terms. Income arising from the Endowment Fund is unrestricted.

10 Trustees' Remuneration and Expenses

No remuneration was paid to Trustees during either the year under review or the prior period. Expenses paid to or on behalf of the Trustees were as follows:

	<u>2013</u>	<u>2012</u>
	£	£
Trustees' Indemnity Insurance premium	684	636
Trustees' expenses reimbursed	326	-
	<u>1,010</u>	<u>636</u>

11. Contingent Liabilities

By 31st December 2013, Trustees had given approval to a cumulative sum of £142,479 (2012: £188,656), for Jerwood Visual Arts projects, over and above the projected total cost of those projects at the year end date. The use of this remaining sum is contingent on the projects proceeding to completion at the originally budgeted cost, since no expenditure has yet been committed in respect of this remaining sum, no accrual has been included in these accounts but it is, instead, disclosed here as a contingent liability at the year end date.

12. Commitments

Grants committed but not due at the balance sheet date are as follows:

	<u>2013</u>	<u>2012</u>
	£	£
Due within one year	151,353	255,348
Due within 2-5 years	-	-
Total creditors (falling due within one year)	<u>151,353</u>	<u>255,348</u>

No accrual for these sums has been made in the accounts as no contractual or constructive obligation has been made or communicated to the proposed beneficiaries.

Where the Charity does have such an obligation to a beneficiary, the relevant sums have been accrued in the accounts (see notes 7 and 8) in line with the requirements of SORP 2005, as follows:

	<u>2013</u>	<u>2012</u>
	£	£
Due within one year	820,777	400,368
Due within 2-5 years	115,038	10,000
	<u>935,815</u>	<u>410,368</u>

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Notes to the Financial Statements for the year ended 31st December 2013

13 Investment income

	<u>2013</u>	<u>2012</u>
	£	£
Interest on UK cash & cash equivalents	753	1,239
Other UK Dividends and interest	640,749	505,313
Dividends & interest on non-UK investments	305,500	459,191
	<u>947,002</u>	<u>965,743</u>

14. Donated services and facilities

No services and facilities were donated to the Charity during the year

15. Allocation of support costs

Support costs are analysed as follows

	Governance	Charitable General	2013 Total	2012 Total
	£	£	£	£
Staff	41,777	104,458	146,235	135,851
Office	10,704	24,045	34,749	33,176
Communications	3,015	6,103	9,118	7,489
Computer & website	3,890	7,225	11,115	7,600
Audit, accountancy & payroll	29,125	0	29,125	28,878
Sundry	1,011	8,114	9,125	3,638
Depreciation & disposals	-	1,356	1,356	109
	<u>89,522</u>	<u>151,301</u>	<u>240,823</u>	<u>216,741</u>

	<u>2013</u>	<u>2012</u>
	£	£
Auditors remuneration included in governance costs	8,820	8,400
	<u>8,820</u>	<u>8,400</u>

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**Notes to the Financial Statements
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16. Transfers between funds

	General Fund	Main Endowment Fund
	£	£
Funds made available for current year expenditure	1,500,000	(1,500,000)
Increase in provision for future grants contractually committed at the year end	496,272	(496,272)
Decrease in provision for future grants paid before the year end	(38,738)	38,738
	<u>1,957,534</u>	<u>(1,957,534)</u>

17 Restricted Fund

	Creative Bursaries Programme Fund
	£
Balance at 1st January 2013	-
Grant received	240,000
Bank interest	92
Balance at 31st December 2013	<u>240,092</u>

The Creative Bursaries Programme Fund was established with a grant from the Garfield Weston Foundation which, as noted in the Report of the Directors, was received in support of the future launch of a new Creative Bursaries Programme. The grant is held in a separate bank account and interest earned on the account is accumulated in the Restricted Fund.

18 Controlling Party

There is no controlling party.