

Charity Registration No. 1098692

Company Registration No. 4667025 (England and Wales)

**'A' FOUNDATION**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

SATURDAY



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# **'A' FOUNDATION**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	J C S Moores Mrs P M Kennaway Mrs J A G S M Moores F M Manson G Tawadros
<b>Secretary</b>	D.C. Bishop
<b>Charity number</b>	1098692
<b>Company number</b>	4667025
<b>Principal address</b>	67 Greenland Street Liverpool L1 0BY
<b>Registered office</b>	Cunard Building Water Street Liverpool L3 1DS
<b>Auditors</b>	Macfarlane + Co. Cunard Building Water Street Liverpool L3 1DS
<b>Bankers</b>	Barclays Private Bank Limited 43 Brook Street London W1K 4HJ
<b>Solicitors</b>	David Bishop & Co 14 Chapel Lane Formby Liverpool L37 4DU

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# **'A' FOUNDATION**

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# **'A' FOUNDATION**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2008**

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The directors present their report and financial statements for the year ended 31 March 2008.

The company was incorporated as a company limited by guarantee on 14 February 2003 and received charitable status on 22 July 2003. The net assets of The 'A' Foundation, an unincorporated Charitable trust, were transferred to the company on 30 November 2003, when that trust ceased.

#### **Structure, governance and management**

The trustees, who are also the directors under Company Law, who served during the year were:

J C S Moores

Mrs P M Kennaway

Mrs J A G S M Moores

The trustees have power to apply the income and, if they see fit, the capital of the 'A' Foundation towards the general purposes of such Charitable bodies, or for other exclusively charitable purposes, as they decide.

The trustees have assessed the major risks to which the company is exposed, and are satisfied that systems are in place to manage exposure to the major risks.

#### **Objectives and activities**

The principal activity for the year was to continue to promote art appreciation to a wide audience.

#### **Achievements and performance**

With Greenland Street established as a leading national exhibition space, substantial investment was made in the programme of works that opened with the Turner Prize in Liverpool. These exhibitions included the works of : Brian Griffiths, Simparch, Catherine Sullivan and Mustafa Hulusi.

The substantial first year operating costs were not matched by public investment. However, investment of the Nigel Moores Family Charitable Foundation made these acclaimed exhibitions possible with some support from Arts Council England, The Culture Company, The Henry Moore Foundation, Outset and others. Additional exhibition and project funds from Arts Council England, Mondriaan Foundation and Austrian Cultural Forum were raised towards the Agrifashionista project that was presented at A Foundation's London space and online. Earned income was substantially improved.

In February 2008, the trustees were impelled to dismiss the Director of Exhibitions following an organisational review and subsequent revelations of financial misrepresentation. By the close of the year a revised structure was in place to deliver with a new business plan, and new trustees were sought to consolidate the stabilisation of the Foundation.

The trustees are satisfied with the charity's performance during the year.

#### **Financial review**

Income for the year ended 31 March 2008 amounted to £724,410. Expenses of £1,055,407 were expended for the year leaving net outgoings of £330,997. Unrestricted funds carried forward at 31 March 2008 totalled £7,975.

#### **Disclosure of information to auditors**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

## **'A' FOUNDATION**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2008**

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#### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Macfarlane + Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of trustees

A handwritten signature in black ink, appearing to read "James Moors". The signature is written in a cursive, flowing style.

**J C S Moors**

Trustee

Dated: 23 January 2009

## **'A' FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **'A' FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF 'A' FOUNDATION**

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We have audited the accounts of 'A' Foundation for the year ended 31 March 2008 set out on pages 6 to 15. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As described on page 3, the trustees, who are also the directors of 'A' Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

In forming an opinion we have considered the adequacy of disclosures made in note 15 to the financial statements regarding the company's reliance on external financial support and the guarantee for the company's overdraft provided by James Moores, a trustee. We consider that these matters are drawn to your attention but our opinion is not qualified in this respect.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 18 to the accounts.

# 'A' FOUNDATION

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF 'A' FOUNDATION

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#### Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Trustees' Report is consistent with the accounts.

*Macfarlane + Co*

**Macfarlane + Co.**

Chartered Accountants

Registered Auditor

Cunard Building

Water Street

Liverpool

L3 1DS

Dated: 23 January 2009



# 'A' FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

	Notes	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
<b><u>Incoming resources from generated funds</u></b>					
Donations and gifts	2	558,160	84,550	642,710	1,444,194
Investment income	3	19	-	19	79
		558,179	84,550	642,729	1,444,273
Other incoming resources	4	81,681	-	81,681	41,507
<b>Total incoming resources</b>		<b>639,860</b>	<b>84,550</b>	<b>724,410</b>	<b>1,485,780</b>
<b><u>Resources expended</u></b>					
	5				
<b><u>Charitable activities</u></b>					
Direct charitable expenditure		838,839	214,566	1,053,405	1,245,148
Governance costs		2,002	-	2,002	1,601
<b>Total resources expended</b>		<b>840,841</b>	<b>214,566</b>	<b>1,055,407</b>	<b>1,246,749</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(200,981)</b>	<b>(130,016)</b>	<b>(330,997)</b>	<b>239,031</b>
Gross transfers between funds		(130,016)	130,016	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(330,997)</b>	<b>-</b>	<b>(330,997)</b>	<b>239,031</b>
Fund balances at 1 April 2007		338,972	-	338,972	99,940
<b>Fund balances at 31 March 2008</b>		<b>7,975</b>	<b>-</b>	<b>7,975</b>	<b>338,971</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

# 'A' FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Tangible assets	11		379,193		437,626
<b>Current assets</b>					
Debtors	12	30,234		101,357	
Cash at bank and in hand		-		26,769	
		30,234		128,126	
Creditors: amounts falling due within one year	13	(401,452)		(226,781)	
<b>Net current liabilities</b>			(371,218)		(98,655)
<b>Total assets less current liabilities</b>			7,975		338,971
<b>Income funds</b>					
Unrestricted funds			7,975		338,971
			7,975		338,971

The accounts were approved by the Board on 23 January 2009

*James moores*

J C S Moores  
Trustee

# **'A' FOUNDATION**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008**

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### **1 Accounting policies**

#### **1.1 Basis of preparation**

The financial statements are prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

#### **1.2 Incoming resources**

Grants receivable are accounted for in the period to which they relate.

Donations and interest are accounted for when received by the company.

#### **1.3 Resources expended**

Grants are included as direct charitable expenditure in the year in which they are paid, or minuted as approved, and committed for payment, whichever is the earlier.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	3.50% on a straight line basis
Fixtures, fittings & equipment	25% on a straight line basis

# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 2 Donations and gifts

	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
Donations and gifts	530,000	-	530,000	1,165,239
Grants receivable for core activities	28,160	84,550	112,710	278,955
	<b>558,160</b>	<b>84,550</b>	<b>642,710</b>	<b>1,444,194</b>

#### Grants receivable for core activities

##### Unrestricted funds:

Royal Netherlands	2,000	-
Arts Council-Goshka Macuga Grant	-	15,095
Arts Council-Contribution to "Power of Art"	-	11,450
North West Vision	-	9,000
UF Arts Council North West	-	115,000
Liverpool Culture Company	-	16,800
The Granada Foundation	-	3,000
Henry Moore Foundation	12,000	8,000
Wellcome Trust	-	30,000
Performing Rights Society	-	2,000
Diawa Anglo Japanese Foundation	1,000	-
Austrian Cultural Forum	1,000	-
Arts Council - F.Boundy New York trip	1,500	-
Ian & Jane "Silent Sound" Arts Council Grant	-	5,610
Henry Moore Foundation - re:B.Griffiths	3,000	-
Outset Grant 2007/08	5,000	-
Mondrian Stichting Foundation 2007/08	2,660	-
	<b>28,160</b>	<b>215,955</b>

##### Restricted funds:

Arts Council	7,000	63,000
Arts Council - International Artists Residencies	6,000	-
Arts Council Flower Show	19,300	-
Art Council - Greenland St - The Furnace Commission	35,000	-
Arts Council Curatorial Weekend 2007/08	5,000	-
Liverpool Culture Company re:Simparch	4,000	-
Liverpool Culture Company re:Phil Collins	8,250	-
	<b>84,550</b>	<b>63,000</b>

# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 3 Investment income

	2008 £	2007 £
Interest receivable	19	79

### 4 Other income

	2008 £	2007 £
Room hire	29,400	2,015
Exhibition income and other income	52,281	39,492
	<b>81,681</b>	<b>41,507</b>

### 5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2008 £	Total 2007 £
<b>Charitable activities</b>						
<u>Direct charitable expenditure</u>						
Activities undertaken directly	126,240	60,128	714,851	-	901,219	993,010
Grant funding of activities	-	-	-	42,466	42,466	203,546
Support costs	-	-	109,720	-	109,720	48,592
<b>Total</b>	<b>126,240</b>	<b>60,128</b>	<b>824,571</b>	<b>42,466</b>	<b>1,053,405</b>	<b>1,245,148</b>
<b>Governance costs</b>	-	-	2,002	-	2,002	1,601
	<b>126,240</b>	<b>60,128</b>	<b>826,573</b>	<b>42,466</b>	<b>1,055,407</b>	<b>1,246,749</b>

Governance costs includes payments to the auditors of £2,002 (2007: £1,601) for audit fees.

# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 6 Activities undertaken directly

	2008 £	2007 £
Other costs relating to direct charitable expenditure comprise:		
Light and heat	4,625	2,281
Greenland/Parliament Street	216,877	295,466
Hospitality/entertainment	3,002	8,198
Travel and subsistence	31,084	32,491
PPSA and sundries	17,662	18,026
Rent and rates	(3,526)	22,866
Repairs and maintenance	50,616	101,894
Arts Council Party	5,067	-
Insurance	4,035	2,610
Stanley dock 07/08 Expenses	2,934	-
Storage	3,100	6,051
Consultancy	-	12,450
Jordan/New Bird Street	10,020	13,397
2006/07 Art Exhibitions	-	208,945
JM24 Exhibition	-	8,699
Telephone/internet	10,021	8,656
Computer expenses	7,597	2,539
Legal and professional	18,366	14,270
Website design and maintenance	6,454	8,475
Rochelle Press Party	6,567	-
Sundry expenses	5,329	1,437
Bank charges	14,889	2,898
Training	789	998
Health & Safety	39	2,559
Club Row	-	18,690
Marketing	51,745	-
Goshka 2007/08	11,575	-
Drawing School	2,362	-
Turner Prize Expenses	19,056	-
Adatabase - New Contemporaries Archive Project (Restricted)	3,163	63,699
Curatorial Weekend - Rochelle (Restricted)	14,099	-
Arts Council - The Furnace Commission (Restricted)	58,485	-
Flower Show costs 2007/08 (Restricted)	34,542	-
Liverpool Culture Company - Simparch (Restricted)	103,682	-
Liverpool Culture Company re:Phil Collins (Restricted)	595	-
	<b>714,851</b>	<b>857,595</b>

# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 7 Grants payable

	2008 £	2007 £
Direct charitable expenditure	<b>42,466</b>	203,546
Grants payable		
Grants to institutions relating to direct charitable expenditure comprise:		
Biennial Lebanon Exhibition	-	5,000
New Contemporary Arts Council	31,082	95,184
Adam Nankervis 2006/07	-	15,000
Others	-	1,000
Adam Nankervis Exhibition Budget	-	20,000
2007/08 Project Research	-	505
Ian & Jane Project "Silent Sound"	1,000	52,532
Education & Outreach - Africa at the Pictures Project	-	14,325
Artprojx (Cinema)	10,384	-
	<b>42,466</b>	203,546

### 8 Support costs

	2008 £	2007 £
Professional fees	<b>46,800</b>	26,100
Administrator costs	<b>62,920</b>	22,492
	<b>109,720</b>	48,592

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

### 10 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Administration	2	2
Temporary staff (exhibitions)	12	-
	<u>14</u>	<u>2</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	<u>126,240</u>	<u>73,424</u>

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

### 11 Tangible fixed assets

	Leasehold imps £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2007	425,682	149,645	575,327
Additions	-	1,694	1,694
<b>At 31 March 2008</b>	<u>425,682</u>	<u>151,339</u>	<u>577,021</u>
<b>Depreciation</b>			
At 1 April 2007	26,742	110,957	137,699
Charge for the year	24,580	35,549	60,129
<b>At 31 March 2008</b>	<u>51,322</u>	<u>146,506</u>	<u>197,828</u>
<b>Net book value</b>			
<b>At 31 March 2008</b>	<u>374,360</u>	<u>4,833</u>	<u>379,193</u>
At 31 March 2007	<u>398,939</u>	<u>38,687</u>	<u>437,626</u>

The premises that A Foundation occupy are owned by a trustee James Moores. A 20 year lease has been granted to the 'A' Foundation, with the approval of the Charity Commission. If the charity was to discontinue operating from these premises the cost of improvements of £374,360 would not be recovered.



# 'A' FOUNDATION

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

12 Debtors	2008 £	2007 £
Other debtors	26,263	82,233
Prepayments and accrued income	3,971	19,124
	<u>30,234</u>	<u>101,357</u>

13 Creditors: amounts falling due within one year	2008 £	2007 £
Bank overdrafts	256,028	-
Trade creditors	101,106	12,280
Other creditors	10,000	-
Accruals	34,318	42,001
Deferred income	-	172,500
	<u>401,452</u>	<u>226,781</u>

### 14 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2008 are represented by:			
Tangible fixed assets	379,193	-	379,193
Current assets	30,234	-	30,234
Creditors: amounts falling due within one year	(401,452)	-	(401,452)
	<u>7,975</u>	<u>-</u>	<u>7,975</u>

### 15 Control

Adatabase Limited is a 100% subsidiary of the company. Results are not consolidated as Adatabase Limited ceased trading after the year end, and its losses have been subsidised by JCS Moores, therefore there is no impact on the 'A' Foundation.

## **'A' FOUNDATION**

### **NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008**

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#### **16 Basis of preparing the financial statements**

At 31 March 2008 the balance sheet comprises fixed assets of £379,193 and net current liabilities of £371,218. As explained at note 11, the cost of our improvements to our landlord's property will not be recovered, should we vacate the property. If these costs were not included in the accounts, the balance sheet would reflect an overall deficit. Accordingly the company is dependent on the continuation of external financial support through adequate grants, donations and the guarantee of the charity's overdraft by James Moores, a trustee. The financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this depends on the continuation of the support described above. The directors believe that it is appropriate for the financial statements to be prepared on the going concern basis. The financial statements do not include any adjustments that would result if the company were not to receive this support.

#### **17 Related parties**

Two of the Trustees of the 'A' Foundation, J C S Moores and Mrs P M Kennaway, are also Trustees of Nigel Moores Family Charitable Foundation from whom donations totalling £525,000 (2007 - £1,037,034) were received during the year.

J C S Moores is the beneficial owner of the Greenland Street and Parliament Street properties and has granted a 20 year lease to the charity.

JCS Moores has provided personal guarantees to cover the charity's bank borrowings.

#### **18 Auditors' Ethical Standards**

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.