

Company registration number: 08437335

Charity registration number: 1153865

The Guardian Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the year ended 31 March 2016



The Guardian Foundation

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The Guardian Foundation

Reference and Administrative Details

| | |
|------------------------------------|--|
| Trustees | Elizabeth Forgan DBE (Chair) Geraldine Proudler Sir Anthony Salz Jonathan Scott |
| Secretary | Philip Tranter |
| Senior Management Team | Ben Hicks, Executive director |
| Principal Office | PO Box 68164 Kings Place 90 York Way London N1P 2AP |
| Company Registration Number | 08437335 |
| Charity Registration Number | 1153865 |
| Solicitors | Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE |
| Bankers | The Royal Bank of Scotland plc 280 Bishopsgate London EC2M 4RB |
| Independent Auditors | PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH |

The Guardian Foundation

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2016.

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies. The trustees have taken the exemption under this regime not to disclose the strategic report.

Trustees

Elizabeth Forgan DBE (Chair)

Geraldine Proudler

Sir Anthony Salz

Jonathan Scott

Structure, governance and management

Nature of governing document

The Guardian Foundation is a company limited by guarantee and its sole member is The Scott Trust Limited (STL).

Recruitment and appointment of trustees

Directors of the charity (trustees) may be appointed and removed by STL. STL is the ultimate owner of Guardian Media Group plc (GMG). On appointment to the charity, trustees receive appropriate briefings on the charity and its activities.

The charity intends to consider the recruitment and appointment of additional independent trustees once the scope and extent of future activities become clearer.

Arrangements for setting remuneration

The trustees received no remuneration for their services during the year and were not reimbursed for any expenses incurred.

Remuneration for key management can be found in note 8 staff costs.

Objectives, strategies and activities

Objects and aims

The objects of the charity, as set out in its articles of association, are for public benefit, the advancement of charitable purpose in accordance with the laws of England and Wales.

The trustees have taken into consideration Charity Commission guidance on public benefit.

Currently, the charity carries out the following strands of activity in pursuit of its charitable objects, focusing on the charitable advancement of education, human rights and the right to information. All activities of the charity in furtherance of its objects are carried out for the public benefit.

The Guardian Foundation

Trustees' Report

Objectives, strategies and activities

Guardian Education Centre

The charity provides an outreach educational centre offering a range of educational programmes for students and adults. The interactive centre can accommodate up to 30 students. State of the art technology, including computers and specially designed software, as well as digital cameras and interactive whiteboards, help students to engage with and learn from the news and archive resources of Guardian News & Media Ltd. This operation benefits around 1,000 children per year, principally catering amongst school groups. For example, the centre offers a variety of free whole-day workshops where students create their own newspaper front page using the latest technology, as well as workshops in podcasting and video editing for secondary schools.

The centre also conducts a range of activities for teachers, further and higher education groups and families that support professional development and provide work related learning, for example, organising a range of conferences for teachers with speakers including journalists, educational advisers and teachers, and providing continuing professional development training to practising teachers.

Archive and exhibitions

The archive preserves the histories and values of the Guardian and Observer newspapers and the role of journalism in society, by collecting, cataloguing and making accessible to the public material that provides an accurate and comprehensive history of the newspapers.

The charity also supports a programme of exhibitions which investigate and reflect upon aspects of news and newspapers and the role of journalism. This programme draws on the archive collections and these exhibitions are freely accessible to the public.

The Scott Trust Bursary scheme

The charity runs the Scott Trust bursary scheme. The aim of this scheme is to assist students who face financial difficulty in attaining the qualifications needed to pursue a career in media.

The charity currently offers five bursaries each year to assist aspiring journalists to study for a postgraduate qualification in newspaper, web or broadcast journalism. Two bursaries are offered at City University, London (MA in Newspaper Journalism); one at Goldsmiths College, University of London (MA in Journalism); and two at University of Sheffield (MA in Newspaper Journalism).

The bursaries are particularly aimed at encouraging graduates from diverse social and ethnic backgrounds to apply for post-graduate training, particularly those from minority ethnic groups – recognised as being under-represented in the media. The benefits and effectiveness of the bursary programme have been enhanced through the introduction of a new mentoring scheme and workshops.

International programme

The charity's overseas programme is focused on activity supporting rights to information and on building the capacity of journalists in Turkey and the Balkans. The charity currently funds an initiative led by Article 19, a charity whose mission is to defend the right to freedom of expression and freedom of information across the world, and Punto 24, educating young Turkish journalists and promoting awareness of rights to information in Turkey and editorial independence in the Turkish press.

The Guardian Foundation

Trustees' Report

Public benefit

The Scott Trust Foundation has, in the past, been a grant giver. With effect from close of business on 30 September 2014 its operations and assets were transferred to The Guardian Foundation. However, the current activities of The Guardian Foundation focus on the object of advancing education, research and human rights. All activities of the Charity in furtherance of this object will be carried out for the public benefit. In particular:

- The Guardian Education Centre provides educational services to a wide variety of school children, teachers and educational professionals in order to support education in journalism and teaching practises.
- The archive and exhibitions programme preserves for the public benefit and makes accessible to the public material of historic, artistic and educational value.
- Bursaries for post-graduate qualifications in print journalism and web journalism will be provided to the applicants who best satisfy the established criteria, taking account of the desire to encourage graduates from diverse social and/or ethnic backgrounds.
- The international programme offers training to overseas journalists and provides educational support to applicants and organisations who best satisfy the established criteria.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The reserves of the charity constitute a single unrestricted fund. Reserves are maintained at a level sufficient to ensure financial stability, taking account of the support committed by Guardian Media Group plc.

At 31 March 2016, the level of reserves was £19,457 (2015: £38,157).

Policy on reserves

The policy on reserves is reviewed annually.

Principal funding sources

The principal source of funding is donations from Guardian Media Group plc. Guardian Media Group plc has undertaken to donate sufficient monies during the 2016/2017 financial year in order to fully fund the objectives and activities of the charity for 2016/2017.

GMG will consider and review further funding beyond 2016/2017 during the annual budget process. Funding from GMG beyond 2016/2017 is likely to remain at similar levels to previous years but not to exceed these levels.

The Guardian Foundation

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

In furtherance of its charitable objects, the charity will continue to focus on the charitable advancement of education, human rights and the right to information. The charity's longer term aims and key objectives include: establishing an international, measureable and inclusive training programme; expanding our educational activities and create opportunities for all beneficiaries; opening up the Archive through innovative projects and allow the public to engage with the history of the Guardian; creating an ambitious volunteering scheme which enables us to access and harness the talent and skills of journalists across the UK.

Activities planned to achieve aims

The charity will continue to pursue the activities outlined above. It is proposed to expand the scope of these activities to include:

Guardian Education Centre – It is proposed to develop an outreach programme for the Education Centre in schools and educational establishments across the UK.

Archive and Exhibitions – It is proposed to increase public access to the Archive through exhibitions and other innovative projects.

The Scott Trust Bursary Scheme – It is proposed to introduce an annual alumni event together with an essay competition aimed at post-graduate journalism students.

International Programme - It is proposed to extend the educational activities of the international programme to include training activities focused on displaced journalists in the Middle East. The charity will continue its active facilitation of the European Press Prize.

The charity intends to seek funding from philanthropic organisations to support its proposed activities. Where funding is subject to restrictions we will only accept them once all considerations have been reviewed.

The Guardian Foundation

Trustees' Report

Relationships with related parties

STL

STL is the member of the charity and is also the ultimate holding company of GMG and thus Guardian News & Media Limited (GNM).

GMG

GMG is the parent company of Guardian News & Media Limited (GNM), publisher of theguardian.com, one of the world's leading news websites, and the Guardian and Observer newspapers.

GNM

GNM is the publisher of theguardian.com, one of the world's leading news websites, and the Guardian and Observer newspapers. GNM funds and, on behalf of the charity, manages the operations of the Guardian Education Centre and Archive and exhibitions.

Going concern

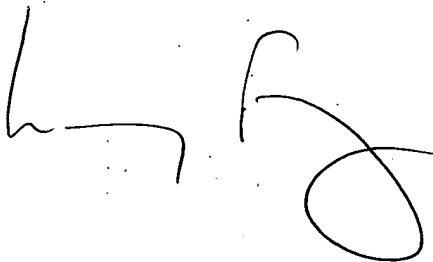
These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom. In addition the financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities SORP (FRS102) and comply with the Companies Act 2006 and the Charities Act 2011.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the Charity on 30 June 2016 and signed on its behalf by:

.....
Elizabeth Forgan DBE (Chair)
Trustee



The Guardian Foundation

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under that 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Guardian Foundation

Independent Auditors' Report to the members of The Guardian Foundation

Report on the financial statements

Our opinion,

In our opinion The Guardian Foundation's financial statements ("the financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2016;
- the statement of financial activities and the summary income and expenditure account for the year then ended; and
- the statement of cashflows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

The Guardian Foundation

Independent Auditors' Report to the members of The Guardian Foundation

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to take advantage of the small companies' exemption in preparing the Trustees' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 7, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The Guardian Foundation

Independent Auditors' Report to the members of The Guardian Foundation

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the trustees;
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



.....
Samuel Tomlinson (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 June 2016

The Guardian Foundation

Statement of Financial Activities for the year ended 31 March 2016 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted funds £ | Total 2016 £ | Total 2015 £ |
|--|------|-------------------------|----------------------|----------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 2 | 562,696 | 562,696 | 342,232 |
| Expenditure on: | | | | |
| Charitable activities | 3 | <u>(581,397)</u> | <u>(581,397)</u> | <u>(304,074)</u> |
| Total Expenditure | | <u>(581,397)</u> | <u>(581,397)</u> | <u>(304,074)</u> |
| Other recognised gains and losses | | | | |
| Net movement in funds | | (18,701) | (18,701) | 38,158 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>38,158</u> | <u>38,158</u> | - |
| Total funds carried forward | 13 | <u><u>19,457</u></u> | <u><u>19,457</u></u> | <u><u>38,158</u></u> |

All of the Charity's activities derive from continuing operations during the above two years.

The funds breakdown for 2015 is shown in note 13.

The Guardian Foundation
(Registration number: 08437335)
Balance Sheet as at 31 March 2016

| | Note | 2016 £ | 2015 £ |
|---|------|-----------------|-----------------|
| Current assets | | | |
| Debtors | 10 | 40,002 | 19,969 |
| Cash at bank and in hand | | <u>22,991</u> | <u>32,507</u> |
| | | 62,993 | 52,476 |
| Creditors: Amounts falling due within one year | 11 | <u>(43,536)</u> | <u>(14,318)</u> |
| Net assets | | <u>19,457</u> | <u>38,158</u> |
| Funds of the Charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted income funds | | <u>19,457</u> | <u>38,158</u> |
| Total funds | | <u>19,457</u> | <u>38,158</u> |

The financial statements on pages 11 to 23 were approved by the trustees, and authorised for issue on 30 June 2016 and signed on their behalf by:

.....
Elizabeth Forgan DBE (Chair)
Trustee



The Guardian Foundation

Statement of Cash Flows for the year ended 31 March 2016

| | Note | 2016 £ | 2015 £ |
|--|------|----------------------|----------------------|
| Cash flows from operating activities | | | |
| Net cash (expenditure)/income | | (18,701) | 38,158 |
| Working capital adjustments | | | |
| Increase in debtors | 10 | (20,033) | (19,969) |
| Increase in creditors | 11 | <u>29,218</u> | <u>14,318</u> |
| Net cash flows from operating activities | | <u>(9,516)</u> | <u>32,507</u> |
| Net (decrease)/increase in cash and cash equivalents | | (9,516) | 32,507 |
| Cash and cash equivalents at 1 April | | <u>32,507</u> | <u>-</u> |
| Cash and cash equivalents at 31 March | | <u><u>22,991</u></u> | <u><u>32,507</u></u> |

All of the cash flows are derived from continuing operations during the above two years.

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company has transitioned to FRS 102 from the previously extant UK Generally Accepted Accounting Practice for all periods presented. Transition tables showing all material adjustments are disclosed in note 15.

The Guardian 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 notes.

Certain prior year comparatives have been re-presented to ensure that the financial information is comparable year-on-year. As these adjustments are not considered to be material, full restatement disclosure has not been made. The re-presentations are the grossing up of gifts in kind income and expenditure of £162,642 in the statement of financial activities and associated notes. There is no impact on net movement in funds, net current assets or net assets.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

Gifts in kind

Gifts in kind represents services performed by related parties on behalf of the charity.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation for that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

Irrecoverable VAT

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

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the Charity.

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

Pensions and other post retirement obligations

The group operates defined contribution pension schemes. Contributions are made in accordance with the scheme rules, and charged to operating profit as incurred.

2 Income from donations and legacies

| | Unrestricted funds | | |
|---|-----------------------|--------------------|--------------------|
| | General £ | Total 2016 £ | Total 2015 £ |
| Donations and legacies; | | | |
| Donations from Guardian Media Group plc | 220,067 | 220,067 | 179,590 |
| Gifts in kind | 342,629 | 342,629 | 162,642 |
| | <u>562,696</u> | <u>562,696</u> | <u>342,232</u> |

3 Expenditure on charitable activities

| | Activity undertaken directly £ | Activity support costs £ | Total 2016 £ | Total 2015 £ |
|--------------------------------|---|--------------------------------|--------------------|--------------------|
| Guardian Education Centre | 170,857 | 38,889 | 209,746 | 103,097 |
| Archive and exhibitions | 158,165 | 36,077 | 194,242 | 87,062 |
| The Scott Trust Bursary scheme | 88,209 | 20,120 | 108,329 | 56,640 |
| International programmes | 56,250 | 12,830 | 69,080 | 57,275 |
| | <u>473,481</u> | <u>107,916</u> | <u>581,397</u> | <u>304,074</u> |

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

4 Analysis of governance and support costs

Support costs allocated to charitable activities

| | | Governance costs | Finance costs | Staff costs | Premises costs including depreciation | Other support costs | Total 2016 | Total 2015 |
|--------------------------------|-------|------------------|---------------|---------------|---------------------------------------|---------------------|----------------|---------------|
| | Basis | £ | £ | £ | £ | £ | £ | £ |
| Guardian Education Centre | A | 2,893 | 4,200 | 17,279 | 13,079 | 1,439 | 38,890 | 13,177 |
| Archive and exhibitions | A | 2,683 | 3,896 | 16,030 | 12,133 | 1,334 | 36,076 | 11,128 |
| The Scott Trust Bursary scheme | A | 1,497 | 2,173 | 8,940 | 6,767 | 744 | 20,121 | 7,239 |
| International programmes | A | 954 | 1,387 | 5,700 | 4,315 | 474 | 12,830 | 7,320 |
| | | <u>8,027</u> | <u>11,656</u> | <u>47,949</u> | <u>36,294</u> | <u>3,991</u> | <u>107,917</u> | <u>38,864</u> |

Basis of allocation

| Reference | Method of allocation |
|-----------|----------------------|
| A | Pro-rata on costs |

Governance costs

| | Unrestricted funds | Total 2016 | Total 2015 |
|-----------------------------------|--------------------|--------------|--------------|
| | General £ | £ | £ |
| Audit fees | | | |
| Audit of the financial statements | 7,189 | 7,189 | 6,688 |
| Other governance costs | 837 | 837 | 419 |
| | <u>8,026</u> | <u>8,026</u> | <u>7,107</u> |

5 Grant-making

Analysis of grants

| | Grants to individuals £ |
|---------------------------------------|-------------------------|
| Analysis | |
| Education - postgraduate scholarships | <u>88,210</u> |

The support costs associated with grant-making are £18,624 (31 March 2015 - £4,261).

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

All grants are to individuals.

6 Net outgoing resources

Net outgoing resources for the year include:

| | 2016 £ | 2015 £ |
|------------|----------------|----------------|
| Audit fees | <u>(7,189)</u> | <u>(6,688)</u> |

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

| | 2016 £ | 2015 £ |
|--|----------------------|----------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 40,168 | 9,136 |
| Social security costs | 4,571 | 1,011 |
| Pension costs | <u>3,210</u> | <u>410</u> |
| | <u>47,949</u> | <u>10,557</u> |

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

The monthly average number of persons (including senior management team) employed by the Charity during the year expressed as full time equivalents was as follows:

| | 2016 No | 2015 No |
|------------|------------|------------|
| Management | <u>1</u> | <u>-</u> |

1 (2015 - nil) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year (2015: none). Total contributions made can be found in note 8 staff costs.

9 Taxation

No tax was charged in the year (2015 - £nil).

10 Debtors

| | 2016 £ | 2015 £ |
|-------------|---------------|---------------|
| Prepayments | <u>40,002</u> | <u>19,969</u> |

11 Creditors: amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------|---------------|---------------|
| Due to related parties | 43,021 | 10,536 |
| Accruals | <u>515</u> | <u>3,782</u> |
| | <u>43,536</u> | <u>14,318</u> |

12 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

13 Funds

| | Balance at 1 April 2015 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2016 £ |
|-----------------------------------|--|-------------------------------------|-------------------------------------|---|
| Unrestricted funds | | | | |
| <i>Unrestricted general funds</i> | | | | |
| Donations | <u>38,158</u> | <u>562,696</u> | <u>(581,397)</u> | <u>19,457</u> |
| | | Incoming resources £ | Resources expended £ | Balance at 31 March 2015 £ |
| Unrestricted funds | | | | |
| <i>Unrestricted general funds</i> | | | | |
| Donations | | <u>342,232</u> | <u>(304,074)</u> | <u>38,158</u> |

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

14 Related party transactions

During the year the Charity had the following related party transactions:

Guardian Media Group plc

The charitable donations of £220,067 (2015:£179,590) have been received from Guardian Media Group plc, a related party of the Charity.

At the balance sheet date the amount due to Guardian Media Group plc was £7,450 (2015 - £6,688).

Guardian News & Media Limited

Gifts in kind of £342,629 (2015:£Nil) have been received from Guardian News & Media Limited, a related party of the Charity.

At the balance sheet date the amount due to Guardian News & Media Limited was £35,571 (2015 - £3,848).

15 Transition to FRS 102

As at 1 April 2014 the Charity had no assets or liabilities and therefore, no transition statement is presented.

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

Balance Sheet as at 31 March 2015

| | As originally reported £ | Reclassification £ | Remeasurement £ | As restated £ |
|---|--------------------------------|-----------------------|--------------------|------------------|
| Current assets | | | | |
| Debtors | 19,969 | - | - | 19,969 |
| Cash at bank and in hand | 32,507 | - | - | 32,507 |
| | 52,476 | - | - | 52,476 |
| Creditors: Amounts falling due within one year | (14,318) | - | - | (14,318) |
| Net assets | 38,158 | - | - | 38,158 |
| Funds of the Charity | | | | |
| Unrestricted income funds | 38,158 | - | - | 38,158 |
| Total funds | 38,158 | - | - | 38,158 |

The Guardian Foundation

Notes to the Financial Statements for the year ended 31 March 2016

Statement of Financial Activities for the year ended 31 March 2015

| | As originally reported £ | Reclassification £ | Remeasurement £ | As restated £ |
|------------------------------------|--------------------------------|-----------------------|--------------------|------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 179,590 | - | - | 179,590 |
| Expenditure on: | | | | |
| Charitable activities | (134,325) | - | - | (134,325) |
| Other expenditure | (7,107) | - | - | (7,107) |
| Total expenditure | (141,432) | - | - | (141,432) |
| Net income | 38,158 | - | - | 38,158 |
| Net movement in funds | 38,158 | - | - | 38,158 |