

The Mackintosh Foundation

Report and Financial Statements

Year Ended

31 March 2017

Company No: 2239812

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The Mackintosh Foundation

Report and financial statements
for the year ended 31 March 2017

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Reference and administrative details

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Reference and administrative details

Trustees/Directors

Sir Cameron Mackintosh
N D Allott OBE
N I M Mackintosh
R F S Noble
B G Peerless
F R Pappas
T T E Schönberg

General Secretary

R T Knibb, ACA

Company Secretary

R T Knibb, ACA

Registered Office

1 Bedford Square, London, WC1B 3RB

Company Number:

2239812

Charity Registration Number:

327751

Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village,
Southampton, SO14 3TL

Solicitors

Charles Russell Speechlys LLP, 5 Fleet Place, London, EC4M 7RD

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017

The Trustees submit their report, together with the audited financial statements, for the year ended 31 March 2017. The financial statements comply with current statutory requirements and with the requirements of the charity's governing document. The reference and administration details shown on the preceding page, form part of this report.

Structure, governance and management

The Foundation is a company limited by guarantee and does not have a share capital. Being of charitable status, the word 'Limited' has been omitted from the name of the Foundation, in accordance with Section 60, Companies Act 2006.

The Foundation was incorporated on 31 March 1988. It is governed by its Memorandum and Articles of Association.

The company is a registered charity (No: 327751).

The Trustees (who are directors for the purposes of company law) who are appointed by the members of the Foundation were, throughout the year, as follows:

Sir Cameron Mackintosh
N D Allott OBE
N I M Mackintosh
R F S Noble
B G Peerless
F R Pappas
T T E Schönberg

The current constitution of the Foundation consists of four members (including the Founder) and seven Trustees. The seven Trustees include the four members. The Trustees except for the founder member are elected annually by the members. The existing members may from time to time establish reserve lists for the appointment of new members and/or Trustees to fill vacancies as the existing members in their discretion think fit.

The induction process for potential new Trustees comprises meeting with the Founder member and other Trustees, attending meetings of the Trustees, and discussions with the General Secretary regarding the responsibilities of being a Trustee. A pack is provided to all new Trustees, including a history of the Foundation, copies of recent board minutes, copies of financial statements, details concerning the financial position of the Foundation and any other relevant information.

The Trustees meet in plenary session once a year, when, among other things, they review and discuss the then current financial state and overall strategy of the Foundation and implementation of past decisions. This includes consideration of grant-making activities (both past and present), the current state of the Foundation's reserves and cash flow requirements, its investment policy and performance. Larger grants, and some smaller ones which have been set aside for that purpose, are considered by the Trustees at these meetings. However, some of the smaller grants are decided by a subcommittee of two Trustees who meet at weekly intervals, and report back through the General Secretary on what grants they have made, to the full board at the next full board meeting.

The day-to-day administration of the Foundation's affairs is conducted by the General Secretary, in conjunction with the Appeals Director, in accordance with strict terms of reference laid down by the Board of Trustees, to whom he reports and from whom he seeks instructions regularly as and when necessary. The current General Secretary, who is a Chartered Accountant, also keeps the Foundation's records up to date, and monitors its financial affairs.

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017 (continued)

Risk policy

Pursuant to the Charity Commission's "Statement of Recommended Practice" (SORP) the Trustees previously commissioned the preparation of an internal report on the risks faced by the Foundation and the adequacy of the controls in place to minimise those risks. In particular the report considered the Foundation's risk exposure under the following headings:

- Investment losses
- Ability to meet forward pledges
- Financial procedures
- Insolvency
- Fraud

A key component of the Trustees' strategy to manage risk is the policy of regularly reviewing the risks faced.

Objectives and activities for the public benefit

The Objects of the Foundation are:

To advance the education of the public both in the United Kingdom and elsewhere in the arts and in particular (but without prejudice to the generality of the foregoing) the performing arts of music drama and the theatre in all their forms;

To advance the education of the public generally both in the United Kingdom and elsewhere and in particular but without prejudice to the generality of the foregoing to establish and maintain scholarships bursaries and awards to be awarded for proficiency in drama music and/or the dramatic or ancillary performing arts;

To relieve or assist in the relief of the poverty and of persons who are in conditions of need hardship or distress from any cause whatsoever and whether those persons are present in the United Kingdom or elsewhere;

To relieve sickness and to protect and preserve the health of all persons both in the United Kingdom and elsewhere;

To promote the conservation protection and enhancement in the United Kingdom of nature and the amenities of the countryside including (but not by way of limitation) any areas of outstanding natural beauty or of special scientific or historic interest for the benefit of the public;

To promote the conservation protection and enhancement in the United Kingdom of buildings of architectural scientific historic or public interest for the benefit of the public; and

Such other charitable objects in the United Kingdom and elsewhere as the trustees in their discretion think fit, as to which and without prejudice the generality of the foregoing, to have particular regard to charitable objects relating to the theatre, children, the poor, the sick and the homeless.

The aim is to carry out these objectives by all such lawful means as the Trustees think fit. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on a public benefit when reviewing the Foundation's aims and objectives and in setting the grant making policy for the year and the future

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017 (continued)

Objectives and activities for the public benefit (continued)

The Foundation carries out these objectives by:

- Financing education in the United Kingdom and abroad by making grants to schools' core costs and assisting the disadvantaged;
- Funding the relief of poverty and those in hardship or distress in the United Kingdom and abroad;
- Promoting and developing theatrical, musical and dramatic arts by a variety of means including education, theatre refurbishment/restoration programmes and the support of a broad range of theatre productions for the enjoyment and education of the public at large;
- Funding medical research and the relief of sickness generally;
- Providing grants to environmental projects aimed at the conservation, protection and enhancement of nature in the United Kingdom and elsewhere; and
- Funding community based projects where often a relatively small grant can make a big impact to many people both immediately and into the future.

Achievements and performance

The table below shows the split of the grants by category.

Note: percentage figures are rounded to the nearest whole number.

Total Grants during the year ended 31 March 2017

Code	Category	(£)	(%)
CE	Children and Education	147,040	24
CP	Community Projects	50,190	8
E	The Environment	10,000	2
H	The Homeless	50,014	8
	Medical		
M	Medical - General	43,175	7
M-AH	Medical - AIDS/HIV	2,970	1
M-C	Medical - Cancer	22,300	4
		<hr/>	<hr/>
		68,445	11
	Theatre and The Performing Arts		
T-B	Theatre buildings	35,000	6
T-CD	Theatre company development	20,136	3
T-CT	Children's theatre	11,500	2
T-NW	Promotion of new theatrical and musical works	23,114	4
T-PC	Theatre related pastoral care	114,749	19
T-TE	Theatrical training and education	76,560	12
		<hr/>	<hr/>
		281,059	46
		<hr/>	<hr/>
		606,748	100
		<hr/>	<hr/>

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017 (continued)

Achievements and performance (continued)

Major donations paid or pledged during the year were: £100,250 to Save the Children Fund, £73,491 to The Actors Fund, £50,000 to Centrepont Soho, £25,000 to The Prior Foundation, £20,000 to The Royal Theatrical Fund.

The total number and value of donations made during the year can be summarised as follows, on the basis that where more than one donation has been made to the same donee in the same year, these have been aggregated:-

	2017 Number	2016 Number
More than £75,000	1	4
£50,000 - £75,000	2	1
£20,000 - £49,999	2	3
£10,000 - £19,999	5	7
£ 5,000 - £ 9,999	13	13
£ 1,000 - £ 4,999	101	91
Less than £1,000	45	36
	<hr/>	<hr/>
	169	155
	<hr/>	<hr/>

A list of donations greater and equal to £5,000 is shown in note 4 of the accounts.

The Foundation has a computerised database for its grants register which facilitates the analysis and fast retrieval of information in relation to its grant making activities. Hard copies of essential computerised records are also maintained and kept up to date.

Financial review

The results for the year are set out in the statement of financial activities on page 9.

The Foundation's income comprises investment income on endowment funds, interest receivable and sundry small donations.

Investment policy and objectives

- 1 To ensure that the funds are properly protected so that capital is invested only at minimal or low risk, with reasonable regard for the desirability of diversification.
- 2 To aim to achieve a long term real rate of return in excess of the rate of UK inflation after fees and costs. The portfolio is managed for total return i.e. income and capital.
- 3 To keep sufficient invested funds invested in such a manner as to enable them to be encashed at short notice with little or no penalty should the need arise.
- 4 To seek advice consistent with the above from a professional investment consultant, who is regulated under Financial Services Act 1986, whenever appropriate having regard to the amount of money available for investment and the period contemplated for the investment concerned.
- 5 To monitor and review the quality of investment advice received as aforesaid in light of past performance and to make such changes in the identity of investment consultant from time to time as may to the Trustees seem appropriate.
- 6 The Trustees are aware that the rate of spending exceeds the level of investment return and accept that the real value of the portfolio is falling. The Trustees therefore acknowledge that it will be impossible to maintain current levels of expenditure in the long term without a further major donation.

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017 (continued)

Investment performance review

The Trustees consider that the investment performance during the year has been satisfactory and in line with expectations and investment policy.

Reserves policy

The Trustees aim to maintain free reserves in unrestricted funds at a level which enables the Foundation to meet at least three months of unrestricted charitable expenditure. The Trustees consider that this level will provide sufficient funds to respond to applications for grants and ensure that there are sufficient funds available to cover support and governance costs. The Trustees aim to achieve this free reserve policy by careful cash flow management and forecasting which is carried out on a continuous basis by the General Secretary and investment advisors, and reviewed by the investment sub-committee and Trustees. This forecast reviews the anticipated income and expenditure of the Foundation, not only in the immediate future but also over the longer term horizon. The current policy includes the transfer of expendable endowment to unrestricted funds as required.

The balance held as unrestricted reserves at 31 March 2017 is £5,798,701, of which £2,604,963 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets and long term funding commitments. The free reserves exceed three months anticipated expenditure.

Plans for the future

The Foundation intends to continue to support a wide variety of activities, concentrated on the areas described in this report.

Post balance sheet events

There have been no events since the balance sheet date that materially affect the position of the Foundation at the year end.

Fixed assets

Investments are held in accordance with the Trustees' powers.

Fundraising activities

The Foundation is not currently subject to any fundraising activities.

The Mackintosh Foundation

Report of the Trustees for the year ended 31 March 2017 (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Approved by the Trustees on
and signed on their behalf by

10/10/17.


Nicholas Allott OBE
Trustee

Date

The Mackintosh Foundation

Independent auditor's report to the members of The Mackintosh Foundation

We have audited the financial statements of The Mackintosh Foundation for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 6), the trustees (who are also the directors of the 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.

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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2017 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

The Mackintosh Foundation

Independent auditor's report to the members of The Mackintosh Foundation (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime, take advantage of the small companies exemption in preparing the directors' report or the exemption from the requirements to prepare a strategic report.

BDO LLP

*David L'Anson Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom*

Date *16 October 2017*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

The Mackintosh Foundation

Statement of financial activities for the year ended 31 March 2017

	Note	Unrestricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
Income and endowments from:					
Donations and legacies	2	35,093	-	35,093	137,832
Investments	3	50,837	-	50,837	48,427
Total income		85,930	-	85,930	186,259
Expenditure on:					
Charitable expenditure	4	665,283	-	665,283	1,614,868
Total expenditure		665,283	-	665,283	1,614,868
Net (expenditure) and net movement in funds before gains and losses on investments		(579,353)	-	(579,353)	(1,428,609)
Net gains/(losses) on investments		416,607	(1,430)	415,177	(136,499)
Net expenditure		(162,746)	(1,430)	(164,176)	(1,565,108)
Transfers between funds		1,457,193	(1,457,193)	-	-
Net movement in funds		1,294,447	(1,458,623)	(164,176)	(1,565,108)
Reconciliation of funds					
Total funds brought forward		4,504,254	1,917,557	6,421,811	7,986,919
Total funds carried forward		5,798,701	458,934	6,257,635	6,421,811

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of financial activities.

The notes on pages 12 to 21 form part of these financial statements.

The Mackintosh Foundation

Income and expenditure account for the year ended 31 March 2017

	Note	2017 £	2016 £
Income			
Voluntary income	2	35,093	137,832
Profits/(losses) on investments		415,177	(136,499)
Investment income	3	50,837	48,427
		<u>501,107</u>	<u>49,760</u>
Expenditure			
Charitable expenditure	4	665,283	1,614,868
		<u>(164,176)</u>	<u>(1,565,108)</u>
Operating deficit for the year			

The notes on pages 12 to 21 form part of these financial statements.

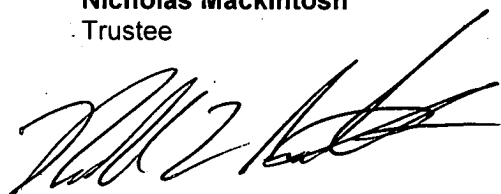
The Mackintosh Foundation

Balance sheet at 31 March 2017

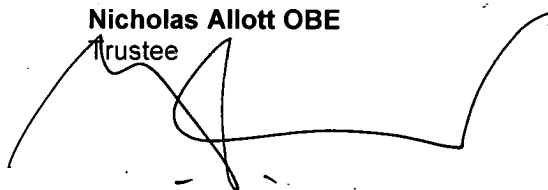
Company number 2239812	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Investments	8		3,668,738		4,710,754
Current assets					
Debtors	9	5,467		13,417	
Cash at bank		3,443,283		2,675,124	
		<u>3,448,750</u>		<u>2,688,541</u>	
Liabilities					
Creditors: amounts falling due within one year	10	235,026		231,484	
		<u></u>		<u></u>	
Net current assets			3,213,724		2,457,057
Total assets less current liabilities			<u>6,882,462</u>		<u>7,167,811</u>
Creditors: amounts falling due after more than one year	11		624,827		746,000
			<u></u>		<u></u>
Net assets			<u>6,257,635</u>		<u>6,421,811</u>
The funds of the charity					
Expendable endowment funds	12		458,934		1,917,557
			<u></u>		<u></u>
Unrestricted income funds			5,798,701		4,504,254
			<u></u>		<u></u>
Total unrestricted funds			5,798,701		4,504,254
			<u></u>		<u></u>
Total charity funds	14		<u>6,257,635</u>		<u>6,421,811</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 10/10/17.

Nicholas Mackintosh
Trustee



Nicholas Allott OBE
Trustee



The notes on pages 12 to 21 form part of these financial statements.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

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 accounts 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)) and the Companies Act 2006:

The Mackintosh 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 note.

Exemption from preparation of statement of cash flows

The charity has taken advantage of the exemption from preparing a statement of cash flows in accordance with the Statement of Recommended Practice (FRS 102) Update Bulletin 1, Module 14, Statement of cash flows.

The following principal accounting policies have been applied:

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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

Rental income is recognised over the length of the lease. Adjustments for lease incentives are held in debtors and released as a debit to income on a straight line basis over the full term of the lease.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (*continued*)

1 Accounting policies (*continued*)

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing grants are broadly equivalent. The allocation of support and governance costs is analysed in note 5.

Investments

Investments are carried at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Income received during the year is taken to the General Fund.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (*continued*)

1 Accounting policies (*continued*)

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Realised gains and losses

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 sales proceeds and opening market value (purchase date if later). 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.

Assets and liabilities not recognised in the accounts

No value is placed on inalienable property, or on property considered by the Trustees to be for all practicable purposes inalienable by reason of it being deemed by the Trustees to be held for preservation at least for the foreseeable future in accordance with the wishes of the donors.

2 Donations and legacies

	2017 £	2016 £
Donations received	-	102,644
Donated services and facilities (note 5)	35,000	35,000
Other	93	184
	<hr/>	<hr/>
	35,093	137,828
	<hr/>	<hr/>

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

3 Investment income	2017	2016
	£	£
Bank interest	7,506	5,694
Amounts received from UK investment property	43,331	42,733
	50,837	48,427

4 Charitable expenditure	2017	2016
Analysis of expenditure on charitable activities	£	£
Grants to individuals	5,570	15,348
Grants to institutions	601,178	1,526,876
Support and governance costs (note 5)	58,535	72,644
	665,283	1,614,868

During the year grants were awarded to 3 individuals (2016 - 3) and to 166 institutions (2016 - 152).

Grants by type of activity	2017	2016
	£	£
Children and Education	147,040	177,257
Community Projects	50,190	79,820
The Environment	10,000	5,500
The Homeless	50,014	8,022
Medical	68,445	103,870
Theatre and the Performing Arts	281,059	1,167,755
	606,748	1,542,224

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

4 Charitable expenditure (continued)

Donations during the year greater and equal to £5,000 were as follows:

Grant recipient	2017 £
Save The Children Fund	100,250
Actors Fund, The	73,491
Centrepont Soho	50,000
Prior Foundation (formerly Prior Park College), The	25,000
Royal Theatrical Fund, The	20,000
Royal Welsh College of Music and Drama	15,000
TIF (Theatre Investment Fund Limited)	15,000
Regent's Park Theatre Limited (previously recorded as The New Shakespeare Company Ltd)	11,386
Royal Academy of Music	10,500
Yes to Life Ltd	10,000
St Paul's Church	8,400
Motivation Charitable Trust	7,500
Shakespeare Schools Foundation	6,500
Theatrical Guild, The	6,000
BAC (Battersea Arts Centre)	5,000
Curve (Leicester Theatre Trust Ltd)	5,000
Denville Hall	5,000
Good Chance Theatre	5,000
Isle Of Canna Community Development Trust	5,000
National Student Drama Festival Ltd, The	5,000
One Dance UK (previously Dance UK)	5,000
Roundhouse Trust	5,000
Theatre Royal Plymouth Ltd	5,000
Total of other donations individually less than £5,000	202,721
Total	606,748

Details of major donations and the total number and value of donations made by the Foundation during the year can be found in the Report of the Trustees.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

5 Support and governance costs

	2017 £	2016 £
Legal and administration fees	11,768	26,082
Auditors' remuneration – audit services	11,520	11,220
Other costs	247	342
Donated services and facilities	35,000	35,000
	<u>58,535</u>	<u>72,644</u>

No Trustee received any remuneration or reimbursement of expenses during the year. All the above figures include irrecoverable VAT where applicable.

The charity has no employees. Cameron Mackintosh Limited provides staff and facilities to undertake the day to day management of the charity. These costs are included in the £35,000 (2016 - £35,000) donated services and facilities figure.

Allocation of support and governance costs

	2017 £	2016 £
Children and education	14,185	16,561
Community projects	4,842	10,914
The environment	965	1,506
The homeless	4,825	1,506
Medical	6,603	17,691
Theatre and the performing arts	27,115	24,466
	<u>58,535</u>	<u>72,644</u>

6 Taxation

No taxation has been provided in the accounts because, as a registered charity, the company is exempt in accordance with the provisions of Section 505 of the Income and Corporation Taxes Act, 1988 on its charitable activities.

7 Tangible assets

No value has been attributed to certain parcels of land and interest in land in the Western Highlands of Scotland, including the reversionary interest on two 999 year leases of certain properties, as the Trustees regard it for all practicable purposes as inalienable, at least for the foreseeable future, in accordance with the wishes of the donors.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

8 Investments

Investments are stated at market value at the balance sheet date. Investments one and three constitute the Expendable Endowment Fund described in note 12 and investment five constitutes the general fund. Income received in respect of the various endowment funds during the year has been credited to the General Fund.

	Number One £	Number Three £	Number Five £	Total £
<i>Market value</i>				
At 1 April 2016	1,458,623	475,000	2,777,131	4,710,754
(Decrease)/increase in market value in year	(1,430)	-	416,607	415,177
Transfer (to)/from cash	(1,457,193)	-	-	(1,457,193)
At 31 March 2017	-	475,000	3,193,738	3,668,738
<i>Cost</i>				
At 31 March 2017	-	721,231	2,800,000	3,521,231
At 31 March 2016	1,477,400	721,231	2,800,000	4,998,631

Investment one was invested in various selected funds under the auspices of Manor Park Guaranteed Investment Funds Limited, (registered in Guernsey) and administered by Carey Commercial Limited, with BNP Paribas Trust Company (Guernsey) Limited (a wholly owned subsidiary of the BNP Paribas Group) as custodian, and Barclays Bank Plc as guarantor of the capital return on the Fund.

Investment three is an investment property purchased in February 2005 and was valued at 31 March 2017 at fair value, determined by an independent qualified valuer. The valuation was undertaken in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual.

Investment number five includes £1,628,487 invested in Cazenove Charity Multi-asset fund and £1,565,251 in CF Ruffer Absolute Return Fund.

9 Debtors

	2017 £	2016 £
Accrued income	5,467	13,417

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Other creditors	5	6
Accruals	12,459	11,478
Grant commitments	222,562	220,000
	<u>235,026</u>	<u>231,484</u>

11 Creditors: amounts falling due in more than one year

	2017 £	2016 £
Grant commitments	624,827	746,000
	<u>624,827</u>	<u>746,000</u>

Included in creditors falling due within one year and falling due in more than one year are the following grant commitments:

- The Actors Fund for the Lillian Booth Actors Home - \$800,000 (£634,390), payable in equal instalments over four years.
- The Theatres Trust - £75,000, payable over three years at £25,000 per annum.
- Royal Conservatoire of Scotland - £96,000, payable in equal instalments over eight years.

Movement in recognised provision and funding commitments during the year

	Grant commitments £
Grant commitments recognised at 1 April 2016	966,000
New grant commitments charged to the SOFA in year	606,748
Grants paid during the year	(725,359)
	<u>847,389</u>
Amount of grant commitments recognised as at 31 March 2017	<u>847,389</u>

There are no performance conditions attached to these grants.

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (continued)

12 Expendable Endowment Funds

	Number One £	Number Three £	Total £
Market value of fund at beginning of year	1,442,557	475,000	1,917,557
Adjustment to opening balances	16,066	(16,066)	-
Transfer to general fund	(1,457,193)	-	(1,457,193)
Decrease in market value of investments	(1,430)	-	(1,430)
	<hr/>	<hr/>	<hr/>
Balance at end of year	-	458,934	458,934
	<hr/>	<hr/>	<hr/>

13 Foundation Funds

The Foundation funds comprise:

A General Fund which it uses for its grant making activities and running expenses, The movements on this investment fund are disclosed on the face of Statement of Financial Activity.

An Expendable Endowment Fund, the capital of which until 14 November 2011 was not available for distribution, is invested to provide income and capital growth for the General Fund.

On 15 November 2011 the Trustees passed resolutions whereby the funds held on the trusts of endowment numbers 1, 2, 3 and 4 be freed from the restrictions with respect to the expenditure of capital that apply to them. A copy of the resolutions was sent to the Charity Commission who confirmed their approval of the said resolutions.

The Foundation is the sole trustee of each endowment fund whose charitable objects are the same as those of the Foundation.

The Foundation does not hold any designated funds.

A copy of the governing documents as to the nature and origin of each endowment fund has been filed with the Charity Commission.

14 Analysis of net assets between Funds

	General Fund £	Expendable Endowment Funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Investments	3,193,738	475,000	3,668,738
Current assets	3,448,750	-	3,448,750
Creditors: amounts falling due within one year	(235,026)	-	(235,026)
Creditors: amounts falling due in more than one year	(624,827)	-	(624,827)
Adjustment to opening balances	16,066	(16,066)	-
	<hr/>	<hr/>	<hr/>
	5,798,701	458,934	6,257,635
	<hr/>	<hr/>	<hr/>

The Mackintosh Foundation

Notes forming part of the financial statements for the year ended 31 March 2017 (*continued*)

15 Share capital

As the company is limited by guarantee, there is no share capital.

At 31 March 2017, there were four members, each of whom has undertaken to contribute to the assets in the event of the company being wound up, such amount as may be required, not exceeding £100.

16 Related party transactions

During the year ended 31 March 2017 donated services of £35,000 (2016 - £35,000) were received from Cameron Mackintosh Limited, a company in which some of the directors of The Mackintosh Foundation are also directors.