

**Charity Registration No. 1068604**

**Company Registration No. 03506892 (England and Wales)**

**THE SOLTI FOUNDATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

# THE SOLTI FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs G T Solti-Dupas Mrs C V Solti-Carrington Mrs V Drabbe-Seemann Mr B Eagles V T Baker Janice Martin
<b>Secretary</b>	V T Baker
<b>Charity number</b>	1068604
<b>Company number</b>	03506892
<b>Registered office</b>	162 Rivermead Court Ranelagh Gardens London SW6 3SF
<b>Independent examiner</b>	SBM Associates Limited 24 Wandsworth Road London SW8 2JW

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# THE SOLTI FOUNDATION

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# THE SOLTİ FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

### FOR THE YEAR ENDED 30 JUNE 2021

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The trustees present their annual report and financial statements for the year ended 30 June 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

#### **Lady Valerie Solti**

Sadly the Chair of our trustees, Lady Valerie Solti, died on the 31st March 2021.

She founded the Solti Foundation on the death of her husband, Sir Georg Solti, in 1997 as she wanted to continue the work he had done throughout his life in supporting young musicians. She was equally dedicated to supporting young musicians in any way she could and through the Foundation was able to make such a difference but also often supported many herself by introducing them to others who could mentor them, providing opportunities for them to perform and even at times allowing them to live in her house when they had no-where else to stay. The tribute letters we received from so many young musicians after her death talked about how she was their fairy god-mother and made such a difference to so many. She will be greatly missed but her work in supporting young musicians will carry on.

#### **Objectives and activities**

The charity's objects are to promote music education and to encourage young musicians, particularly when they are in financial need and there has been no change in these during the year.

The charity aims to achieve the objectives by the making of grants to individuals and to organisations that benefit individuals who meet the grant making criteria of the charity.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

Three grants were awarded, benefiting institutions, in an amount of £27,000. The low number of grants awarded is entirely due to the effects of the Covid-19 pandemic. Most master classes, performances and other face-to-face teaching opportunities were cancelled following the United Kingdom lockdown in March 2020. Subsequently the institutions who benefitted from our grants were able to work within the framework of the Covid restrictions.

Investment income from the portfolio excluding realised gains was lower than in the previous year at £11,897 compared to £14,117.

#### **Financial review**

The value of the total investment portfolio increased from £784,650 to £959,278.

#### **Reserves policy**

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which allows the generation of income sufficient to cover management, administration and support costs and to respond to applications for grants. Unrestricted funds were maintained at this level throughout the year. The trustees, who are responsible for the reserves policy of the charity, monitor and review it at regular intervals and are satisfied that the balance of funds held at the year end was adequate for the needs of the charity.

#### **Risk**

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

# THE SOLTİ FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) *FOR THE YEAR ENDED 30 JUNE 2021*

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

The charity is a company limited by guarantee.

The governing document of the charity is the Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Lady Valerie Solti	(Deceased 31 March 2021)
Mrs G T Solti-Dupas	
Mrs C V Solti-Carrington	
Mrs V Drabbe-Seemann	
Mr B Eagles	
V T Baker	
Janice Martin	

The appointment of trustees is governed by the memorandum and articles of association.

The trustees are responsible for the administration and investment policy of the Charity. A board of trustees of six members meet regularly to administer the charity.

Trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association and the recent financial performance of the charity. They are also briefed on the decision making processes and a business plan is presented.

The trustees' report was approved by the Board of Trustees.

V T Baker

27 February 2022

# THE SOLTİ FOUNDATION

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SOLTİ FOUNDATION

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I report to the trustees on my examination of the financial statements of The Solti Foundation (the charity) for the year ended 30 June 2021.

### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

### **SBM Associates Limited**

24 Wandsworth Road  
London  
SW8 2JW

Dated: .....

# THE SOLTI FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	14,539	941
Investments	4	11,967	14,117
Other income	5	666	-
<b>Total income</b>		<u>27,172</u>	<u>15,058</u>
<b><u>Expenditure on:</u></b>			
Cost of raising funds	6	<u>7,866</u>	<u>3,288</u>
Costs of charitable activities	8	<u>30,468</u>	<u>27,245</u>
<b>Total resources expended</b>		<u>38,334</u>	<u>30,533</u>
Net gains/(losses) on investments	11	<u>185,327</u>	<u>(3,181)</u>
<b>Net movement in funds</b>		174,165	(18,656)
Fund balances at 1 July 2020		<u>895,021</u>	<u>913,677</u>
<b>Fund balances at 30 June 2021</b>		<u><u>1,069,186</u></u>	<u><u>895,021</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE SOLTI FOUNDATION

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		-		416
Investments	13		959,271		784,650
			<u>959,271</u>		<u>785,066</u>
<b>Current assets</b>					
Debtors	14	1,684		1,914	
Cash at bank and in hand		110,871		110,681	
		<u>112,555</u>		<u>112,595</u>	
<b>Creditors: amounts falling due within one year</b>	15	(2,640)		(2,640)	
Net current assets			109,915		109,955
<b>Total assets less current liabilities</b>			<u>1,069,186</u>		<u>895,021</u>
<b>Income funds</b>					
Unrestricted funds			1,069,186		895,021
			<u>1,069,186</u>		<u>895,021</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2021.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 February 2022

Mrs G T Solti-Dupas  
**Trustee**

**Company Registration No. 03506892**



# THE SOLTI FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2021

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#### 1 Accounting policies

##### Charity information

The Solti Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 162 Rivermead Court, Ranelagh Gardens, London, SW6 3SF.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.5 Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered are accrued as expenditure in the year of offer but will be credited to the Statement of Financial Activities in the year of expiry if any conditions are not met.

# THE SOLT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# THE SOLT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	12,539	941
Other	2,000	-
	<u>14,539</u>	<u>941</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	11,897	13,727
Interest receivable	70	390
	<u>11,967</u>	<u>14,117</u>

### 5 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
Royalties	666	-
	<u>666</u>	<u>-</u>

# THE SOLTI FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 6 Cost of raising funds

	Unrestricted funds	Total
	2021	2020
	£	£
Investment management	7,866	3,288
	<u>7,866</u>	<u>3,288</u>

### 7 Costs of charitable activities

	2021	2020
	£	£
Depreciation and impairment	416	416
Office expenses	1,474	1,640
Bank charges	-	55
Exchange differences	125	(22)
Accountancy fees	1,453	1,453
Travelling	-	475
	<u>3,468</u>	<u>4,017</u>
Grant funding of activities (see note 8)	27,000	23,228
	<u>30,468</u>	<u>27,245</u>

### 8 Grants payable

	2021	2020
	£	£
Grants to institutions (3 grants):		
Prussia Cove	8,000	556
Southbank Sinfonia Fellowship	9,000	9,000
The Royal Scottish National Orchestra	10,000	10,000
Foundation Georg Solti Accademia	-	899
	<u>27,000</u>	<u>20,455</u>
Grants to individuals	-	2,773
	<u>27,000</u>	<u>23,228</u>

# THE SOLTI FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 9 Trustees

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

### 10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

### 11 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Revaluation of investments	185,327	(3,181)

### 12 Tangible fixed assets

	Computers £
<b>Cost</b>	
At 1 July 2020	1,664
At 30 June 2021	1,664
<b>Depreciation and impairment</b>	
At 1 July 2020	1,248
Depreciation charged in the year	416
At 30 June 2021	1,664
<b>Carrying amount</b>	
At 30 June 2020	416

# THE SOLT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 13 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 July 2020	766,580	18,070	784,650
Additions	374,593	13,194	387,787
Valuation changes	185,327	-	185,327
Disposals	(398,493)	-	(398,493)
At 30 June 2021	928,007	31,264	959,271
<b>Carrying amount</b>			
At 30 June 2021	928,007	31,264	959,271
At 30 June 2020	766,580	18,070	784,650

### 14 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	601	1,104
Prepayments and accrued income	1,083	810
	1,684	1,914

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,640	2,640

### 16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).