

The Warburg Charitable Trust

(A company limited by guarantee)

The Trustees' Report and Financial Statements For the year ended 31 October 2020

**Company no.
03645747 (England & Wales)**

Charity no. 1110097

Financial Statements for Year Ended 31 October 2020

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The Trustees Report-Statutory Information

Charity Name: The Warburg Charitable Trust

Charity no: 1110097

Company no: 03645747

Principal & Registered

Office: The Warburg Institute, London, WC1H 0AB

Directors and Trustees:

C.A.	Rossbach	
M.L.	Mahlke	
E.K.	Welch	
N.	Warburg	
W.H.	Sherman	
R.W.	Rylance	
D.	Peltz	
L.D.G	Grossman	
B.G.E	Finucane	
S. G.	Roden	(From 4 th February 2020)

Company Secretary/Treasurer: Folake Ogundele

Independent Examiner: Stuart Edwards & Co
Chartered Accountants
Kemp House
152-160 City Road
LONDON
EC1V 2NX

Bankers: National Westminster Bank

The Trustees' Report for the period from 1 November 2019 to 31 October 2020

The Trustees of The Warburg Charitable Trust, "the Trust" are pleased to present their Annual Report and Financial Statement for the year ended 31 October 2020.

The Trustees, who are also directors under company law, confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102

Structure, Governance and Management

Governance and Management

The Trust is a charitable company limited by guarantee, incorporated on 7 October 1998 and registered as a charity on 20 June 2005.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under those Articles.

The members of the Board of Trustees are elected for three years at the Annual General Meeting (AGM).

Objectives and Principle Activities

The charity's purposes, as set out in the objects contained in the company's Memorandum of Association, are the advancement of education in the history of the classical tradition of the arts and sciences, in particular but not by way of limitation by supporting the activities of the Warburg institute, by such exclusively charitable means as the trustees shall from time to time determine.

We review our aims, objectives and activities at trustee meetings. The review looks at achievements and plans future outcomes. We produce reports on key achievements and the benefit that they have brought to those groups of people that we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Recruitment and appointment of the Trustees

The directors of the company are also charity trustees for the purposes of charity law, and under the company's Articles. All members of the Management Committee give their time voluntarily and receive no benefit from the charity. Any expenses reimbursed to trustees by the charity are set out in a note to the accounts.

Organisational Structure

The Warburg Charitable Trust has a Committee of up to 9 members, who meet when required during the year and are responsible for the strategic direction and policy of the charity.

Risk Management

The trustees actively review the major risks facing the charity on a regular basis. They have established systems and procedures to mitigate those risks identified and implemented procedures designed to minimise any potential impact on the charity should those risks materialise.

The trustees review the organisation's financial situation and the resources available to the organisation.

Procedures are in place to ensure the health and safety of staff and visitors to the organisation.

Financial Review

Investment Policy

The policy of the Management Committee is to place surplus funds into an interest bearing account whilst maintaining sufficient funds in a current bank account to cover immediate liabilities.

Reserves Policy

The Trustees has considered its reserves policy in light of the main risks to the organisation. The committee recognises that the organisation needs to have sufficient reserves to allow it to cover known liabilities and contingencies, absorb setbacks and take advantage of change and opportunity.

Small Company Exemptions

This report has been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and with the Charities Statement of Recommended Practice (FRS102).

Approval

This report was approved by the trustees on 22 July 2021 and signed on their behalf by:

.....

Professor Bill Sherman, Director and Trustee

FINANCIAL STATEMENTS REPORT

The Warburg Charitable Trust had an active and successful year. Having transformed the number and nature of its trustees, the group made major strides in raising both the profile of the Warburg Institute and the funds needed for the 'Warburg Renaissance' capital project. In 2019-20 the Trust welcomed a new trustee in Stuart Roden, bringing the total number to ten and rounding out its expertise in financial management and philanthropic strategy.

Despite the challenges introduced by both the Covid-19 pandemic and Brexit, the year saw a number of major initiatives that improved the visibility and sustainability of the Warburg Institute. The WCT supervised the roll-out of a new programme for Friends of the Warburg (to grow the number of subscribers to regular newsletters and provide a new vehicle for annual giving). The Trust also provided support to the American Friends of the Warburg Institute, helping it to transform its own infrastructure for communication and online giving. Most importantly, the Trust coordinated the ongoing fundraising efforts toward the 'Warburg Renaissance,' attracting several major donations taking us close to the £5m target for that project.

More broadly, we continued to increase the profile of the Warburg Institute by supporting several exciting initiatives around the historic exhibitions and publications of Aby Warburg's *Bilderatlas Mnemosyne* in Berlin—sponsoring and guiding the Communications campaign carried out by Four Communications, organising a special weekend tour for key supporters, and commissioning a complete virtual tour of the exhibitions for people who could not travel to Berlin and to document the historic project for posterity.

Finally, in the year ended 31 October 2020, the Trust awarded £46,880 in student bursaries.

We are grateful to our many friends, alumni and donors for their support and hope for a healthy and successful year ahead.

Christopher Rossbach, Chair

**INDEPENDENT EXAMINER'S REPORT TO THE
TRUSTEES OF THE WARBURG CHARITABLE TRUST**

I report on the accounts of the charitable company for the year ended 31st October 2020 which are set out on pages 7 to 12.

Responsibilities and basis of report.

As the charity trustees of the company (who are also the directors of the company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Stuart Edwards

**Member of Institute of
Chartered Accountants
(England & Wales)
Kemp House
152-60 City Road
LONDON
EC1V 2NX**

.....22 July 2021.....Date

**Statement of Financial Activities
& Income and Expenditure Account
For the Year Ended 31st October 2020**

					<u>2019</u>	<u>2019</u>	<u>2019</u>
	<u>Notes</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
		<u>Funds</u>	<u>Funds</u>		<u>Funds</u>	<u>Funds</u>	
		£	£	£	£	£	£
Income and endowments from:							
Charity Activities	3	58,004	160	58,164	26,905	160	27,065
Investments			14	14	-	20	20
TOTAL INCOME	3	58,004	174	58,178	26,905	180	27,085
		£	£	£	£	£	£
Expenditure on :							
Raising Funds	4		4,890	4,980	16,020	32,021	48,041
Charitable Activities	4	49,884	9,619	60,003	16,020	32,021	48,041
Governance	4	-	500	500		450	450
TOTAL EXPENDITURE	4	49,884	15,599	65,483	16,020	32,471	48,491
Net Income/Expenditure for the year	9	8,120	(15,425)	(7,305)	10,885	(32,291)	(21,406)
Net Movement in funds							
Total Fund balances brought forward	9	79,354	81,115	160,469	68,469	113,406	181,875
Total Fund balances carried forward	9	87,474	65,690	153,164	79,354	81,115	160,469

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 of an income and expenditure account under the Companies Act 2006.

Balance Sheet
As at 31st October 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		£	£
FIXED ASSETS			
Tangible assets		-	-
CURRENT ASSETS			
Debtors	7	-	-
Cash at bank & in hand		153,664	160,919
		<u>153,664</u>	<u>160,919</u>
LIABILITIES			
Creditors : Amounts falling due within one year	8	500	450
		<u>500</u>	<u>450</u>
NET CURRENT ASSETS		<u>153,164</u>	<u>160,469</u>
NET ASSETS		<u>153,164</u>	<u>160,469</u>
		£	£
FUNDS OF THE CHARITY	9		
Unrestricted Funds		65,690	81,115
Restricted Funds		87,474	79,354
TOTAL CHARITY FUNDS		<u>153,164</u>	<u>160,469</u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006, relating to small companies, and no members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of accounts.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime.

The accounts were approved by the trustees on:

.....Date

.....Director (Professor Bill Sherman)

The notes on pages 9 to 12 form part of these financial statements.

Company Registration Number: 03645747
 Charity Registration Number: 1110097

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2020**

1. Accounting Policies

- a) The accounts are prepared in accordance with the charity's memorandum and articles of association, 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 (FRS102), and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS102.

The accounts are prepared in sterling, which is the functional currency of the charity. The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

b) Incoming Resources

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.

Donations are recognised on receipt.

c) Resources expended

The expenses classified as 'Charitable Activities' are those directly attributable to the general objects of the charity. 'Raising funds' are those expenses incurred in seeking funding for the charity. 'Governance costs' comprise all costs incurred in governing the charity.

d) 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.

Fixed assets with a useful life greater than one year and a purchase price exceeding £500 are capitalised, and depreciated over its expected useful life, usually 4 years.

e) Charitable funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with any other costs agreed by the donor.

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2020**

1. Accounting Policies (Continued)

f) Resources Expended:

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Costs relating to a particular activity are allocated directly. Other costs are allocated on an appropriate basis such as staff time or estimated usage.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on 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.

h) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2020**

Note	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	2019	2019	2019
	<u>Funds</u>	<u>Funds</u>		Restricted Funds	Unrestricted Funds	Total
3. Voluntary Income	£	£	£	£	£	£
Donations & Grants						
Library Collection Development –Valerie Mainz	20,000		20,000	19,535		19,535
Studentships – Peltz Trust	35,000		35,000	7,370		7,370
Publications	3,004		3,004			
Sundry Donation		160	160		160	160
	58,004	160	58,164	26,905	160	27,065
4. Expenditure	<u>Restricted</u>	<u>Un</u> <u>Restricted</u>	<u>Total</u>	2019	2019	2019
	<u>Funds</u>	<u>Funds</u>		Restricted Funds	Unrestricted Funds	Total
	£	£	£	£	£	£
Raising Funds:						
Fundraising Expenditure		4,980	4,980		32,021	32,021
Publication Support	3,004	753	3,757			
Charity Activities:						
Studentships	46,880		46,880	16,020		16,020
Other expenditure		9,366	9,366			
Governance:						
Independent Examiners Fee		500	500		450	450
	49,884	15,599	65,483	16,020	32,471	48,491

5. Trustee and Related Party Transactions

No directors/trustees or any person connected with them received remuneration in the year in respect of their services as directors/trustees. (2019 £Nil)

No expenses (2019 £Nil) were reimbursed to any (2019 Nil) director/trustee

During the year, no directors/trustees, or any person connected to them or related to the charity had any personal interest in any contract or transaction. (2019 None)

There were no other related party transactions during the year.

6. Taxation

The charitable company is exempt from corporation tax on its' charitable activities.

**Notes Forming Part of the Financial
Statements For the Year Ended
31st October 2020**

7. Financial Instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	-
 Carrying amount of financial liabilities	 £	 £
Measured at amortised cost	500	450
 8. CREDITORS : Amounts falling due within one year:		
	£	£
Other Creditors & Accrued Income	500	450
	500	450

9. MOVEMENT IN TOTAL FUNDS

	At 1 st Nov. 2019	Incoming Resources	Outgoing Resources	At 31 Oct. 2020
Restricted Funds:				
American Friends of the Warburg Institute	35,885	-	32,680	3,205
The Prism Charity – Peltz Trust	-	35,000	14,200	20,800
Valerie Mainz	-	20,000	-	20,000
Italian Cultural Institute	-	3,004	3,004	-
Marina Bucher-Peltzer	43,469			43,469
Total Restricted Funds	79,354	58,004	49,884	87,474
Unrestricted Funds:	-	-	-	-
General Funds	81,115	174	15,599	65,690
Total Funds	160,469	58,178	65,483	153,164

Notes on Restricted Funds:

The purpose of the American Friends fund is the award of tuition fee bursaries to American MPhil/PhD students.

The purpose of the Marina Bucher-Peltzer is support a short-term junior research fellowship based at the Warburg Institute in memory of Ernst Gombrich, preferably in the field of eastern culture but this should not be a prerequisite.