Charity registration number 1192517

Company registration number 12674667 (England and Wales)

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor H W DeBurgh Professor A A Szczerbiak Mgr P Rendek R C Moorhouse Dr N V Murray Mr. J G Bartholomew
Charity number	1192517
Company number	12674667
Registered office	30 Finsbury Circus London United Kingdom EC2M 7DT
Independent examiner	Katherine Parkin FCA Azets Audit Services Epsilon House The Square Gloucester Business Park Gloucester United Kingdom GL3 4AD

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

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FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2023

The Trustees present their annual report and financial statements for the year ended 30 June 2023.

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 governing document, 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) (effective 1 January 2019)".

Objectives and activities

The Charity's objects are to provide information and education about the history of totalitarianism, particularly in the 20th century. It aims to encourage study and research in a variety of ways including the creation of an annual history essay prize on a different subject each year.

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

Achievements and performance

The Foundation’s history essay competition for sixth formers has continued to attract an increasing number of students. A total of 150 essays were submitted in 2022-23 compared to 114 in 2021-2022 and 107 in 2020-21. The subject of the essay competition in the coming year was decided upon. It will be “Repression in pre-war Nazi Germany”. This subject is expected to attract a particularly high number of essays.

The Foundation began planning an educational programme about the Holodomor, the famine in Ukraine in 1932-33. Plans were made for creating a school assembly plan, a lesson plan, a badge and a booklet.

The website was upgraded.

A book was commissioned about repression in the Soviet Union from 1917 to 1953. It has been written. A cover design was commissioned.

Financial review

The charity’s financial position is sound. Funding has been secured that covers the cost of our operations for at least two years as at November 2023. This provides us with a secure background and the opportunity to expand our operations.

The company has more than adequate Reserves to operate as it is on a continuing basis.

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.

Structure, governance and management

The Charity is a company limited by guarantee.

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:

Professor H W DeBurgh
Professor A A Szczerbiak
Mgr P Rendek
R C Moorhouse
Dr N V Murray
Mr. J G Bartholomew

Trustees are recruited by developing a wide circle of acquaintances who have knowledge and interest in aspects of the the history of totalitarianism. A diverse cross-section of this group is then invited to become trustees.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

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

Mr. J G Bartholomew
Trustee
Dated: 15 March 2024

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

I report to the Trustees on my examination of the financial statements of Foundation for the History of Totalitarianism Ltd (the Charity) for the year ended 30 June 2023.

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.

Katherine Parkin FCA
Azets Audit Services
Epsilon House
The Square
Gloucester Business Park
Gloucester
GL3 4AD
United Kingdom

Dated: 15 March 2024

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	**3**	130,316	25,800	156,116	111,371	61,100	172,471
Other trading activities	**4**	1,725	-	1,725	2,790	-	2,790
Investments	**5**	684	-	684	75	-	75
Total income		132,725	25,800	158,525	114,236	61,100	175,336
Expenditure on:							
Raising funds	**6**	1,725	-	1,725	2,790	-	2,790
Charitable activities	**7**	62,598	3,790	66,388	62,540	-	62,540
Total expenditure		64,323	3,790	68,113	65,330	-	65,330
Net income for the year/ Net movement in funds		68,402	22,010	90,412	48,906	61,100	110,006
Fund balances at 1 July 2022		151,490	73,100	224,590	102,584	12,000	114,584
Fund balances at 30 June 2023		219,892	95,110	315,002	151,490	73,100	224,590

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.

FOUNDATION FOR THE HISTORY OF TOTALITARIANISM LTD

BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Heritage assets	**12**		118,016		109,264
Current assets					
Debtors	**13**	1,725		3,027	
Cash at bank and in hand		198,207		118,185	
		199,932		121,212	
Creditors: amounts falling due within one year	**14**	(2,946)		(5,886)	
Net current assets			196,986		115,326
Total assets less current liabilities			315,002		224,590
Income funds					
Restricted funds	**15**		95,110		73,100
Unrestricted funds			219,892		151,490
			315,002		224,590

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 2023.

The directors acknowledge their 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 and in accordance with FRS102 SORP.

The financial statements were approved by the Trustees on 15 March 2024

Mr. J G Bartholomew
Trustee

Company registration number 12674667

1 Accounting policies

Charity information

Foundation for the History of Totalitarianism Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 30 Finsbury Circus, London, EC2M 7DT, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, 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) (effective 1 January 2019)". 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. 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.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

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. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

Donated heritage assets are recognised on receipt at a value based on Trustees' knowledge and experience.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs relating to that category.

1.6 Heritage assets

The Foundation's collection of artefacts are recorded at cost or Trustees' best estimate of vaulation on receipt. The artefacts are deemed to have an indeterminate life and therefore no depreciation has been charged. However, at each balance sheet date, the Trustees carry out a review of the value of the artefacts held.

1.7 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.

1.8 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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.

1 Accounting policies **(Continued)**

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.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

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 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	130,316	25,800	156,116	111,371	61,100	172,471

4 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Services rendered	1,725	2,790

5 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	684	75

6 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading costs		
Staff costs	1,725	2,790
	1,725	2,790

7 Charitable activities

	2023	2022
	£	£
Staff costs	52,386	47,702
Legal and professional fees	2,500	-
Other charitable expenditure	1,198	-
Essay prize money	2,050	5,200
Charity events	417	2,554
Travel and subsistence	435	854
	58,986	56,310
Share of support costs (see note 8)	7,402	6,230
	66,388	62,540
Analysis by fund		
Unrestricted funds	62,598	62,540
Restricted funds	3,790	-
	66,388	62,540

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Computer running costs	415	-	415	480	-	480
Professional subscriptions	83	-	83	-	-	-
Advertising	48	-	48	211	-	211
Accountancy	3,025	-	3,025	2,340	-	2,340
Bookkeeping	921	-	921	151	-	151
Bank charges	55	-	55	96	-	96
Insurance	294	-	294	294	-	294
Printing and stationery	625	-	625	1,271	-	1,271
Rates	1,471	-	1,471	1,129	-	1,129
Sundry expenses	465	-	465	258	-	258
	7,402	-	7,402	6,230	-	6,230
Analysed between						
Charitable activities	7,402	-	7,402	6,230	-	6,230

Support costs includes £2,460 (2022: £1,900), including £900 (2022: £700) payable to the Independent Examiner for Independent Examination and £1,560 (2022: £1,200) for other accountancy services provided.

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:

	2023 Number	2022 Number
	2	2

Employment costs	**2023** **£**	**2022** **£**
Wages and salaries	52,595	49,022
Other pension costs	1,516	1,470
	54,111	50,492

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

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

12 Heritage assets

	£
At 1 July 2022	109,264
Purchases	8,752
At 30 June 2023	118,016

The heritage assets consist of a wide range of artefacts from the history of totalitarianism including a Nazi anti-semitic teaching poster, a letter from a prisoner in Sachsenhausen concentration camp, a KGB prison door and a T55 Soviet tank of the sort used forcibly to end the Prague Spring. The collection is for the purpose of display at schools, at Foundation events and at exhibition.

All heritage assets are held at purchase cost.

Summary analysis of heritage asset transactions:	**2023**	**2022**	**2021**
	£	**£**	**£**
Purchases and additions	8,752	83,290	25,974
Donations	-	-	-
Total additions	8,752	83,290	25,974
Charge for impairment	-	-	-
Total charge for impairment	-	-	-
Disposals	-	-	-
Total disposals	-	-	-
Proceeds from disposals	-	-	-
Total sale proceeds	-	-	-

13 Debtors

	2023	**2022**
Amounts falling due within one year:	**£**	**£**
Other debtors	1,725	3,027

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	-	1,148
Accruals and deferred income	2,946	4,738
	2,946	5,886

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds			
	Balance at 1 July 2021	Incoming resources	Balance at 1 July 2022	Incoming resources	Resources expended	Balance at 30 June 2023
	£	£	£	£	£	£
KGB equipment fund	12,000	-	12,000	-	-	12,000
Tank fund	-	61,100	61,100	-	-	61,100
Gulag fund	-	-	-	11,000	(3,250)	7,750
Holodomor fund	-	-	-	14,800	(540)	14,260
	12,000	61,100	73,100	25,800	(3,790)	95,110

The KGB equipment fund represents income received from donors specifically to purchase KGB equipment.

The Tank fund represents income received from donors specifically to purchase a T-55 tank.

The Gulag fund represents income received from donors specifically to purchase books for the gulag.

The Holodomor fund represents income received from donors specifically to develop the schools programme on Holodomor.

16 Unrestricted funds

These are unrestricted funds which are material to the Charity's activities made up as follows:

		Movement in funds				Movement in funds		
	Balance at 1 July 2021	Incoming resources	Resources expended	Transfers	Balance at 1 July 2022	Incoming resources	Resources expended	Balance at 30 June 2023
	£	£	£	£	£	£	£	£
Unrestricted funds	102,584	114,236	(65,330)	-	151,490	132,725	(64,323)	219,892

17 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£
Fund balances at 30 June 2023 are represented by:						
Heritage assets	44,916	73,100	118,016	36,164	73,100	109,264
Current assets/(liabilities)	174,976	22,010	196,986	115,326	-	115,326
	219,892	95,110	315,002	151,490	73,100	224,590

18 Related party transactions

Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

Employees of the Charity provided services to the Museum of Communist Terror (a company which shares a Director/Trustee with the Charity). An invoice has been raised to the Museum of Communist Terror for services rendered for £1,725 (2022 - £2,790).

The following amounts were outstanding at the reporting end date:

	Amounts owed by related parties 2023		Amounts owed by related parties 2022	
	Balance	Net	Balance	Net
	£	£	£	£
Museum of Communist Terror	1,725	1,725	2,790	2,790
	1,725	1,725	2,790	2,790