

**The Galton Institute
(Limited by Guarantee)**

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(Limited by Guarantee)**

Report and financial statements

Year ended 31 December 2020

Goodin Reid

Goodin Reid & Co Chartered Accountants

**The Galton Institute
(Limited by Guarantee)**

Annual report and financial statements for the year ended 31 December 2020

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Company Secretary and Registered Office

B Nixon
19 Northfields Prospect, London SW18 1PE

Company number

217533 (England and Wales)

Registered Charity Number

209258

Independent Accountants

Goodin, Reid & Co., 7 Woodside Road, New Malden Surrey KT3 3AH

Bankers

Lloyds Bank Ltd, 109 Finsbury Pavement, London EC2A 1LB

Investment Managers

CCLA Fund Managers Ltd, 85 Queen Victoria Street, EC4V 4ET

**The Galton Institute
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Report of the Council of Management for the year ended 31 December 2020

The members of the Council of Management submit their report and the financial statements of the Institute for the year ended 31 December 2020.

Status

The Institute, incorporated by guarantee on the 15th November 1926, was registered with the Charity Commissioners in 1960 with whom its registration number is 209258. The governing instruments of the Institute are its Memorandum and Articles of Association and any subsequent resolutions.

Principal Activity and Objectives

The Institute exists to promote public understanding of the science of human heredity; its historical development and its impact on cognate disciplines. The principal means of achieving these objectives are the holding of an annual conference, the publication of the *Galton Review*, sponsorship of relevant conferences, publication of booklets on topical themes in the biosocial sciences, publication of occasional books, travel bursaries for research students and the maintenance of a web site.

Public Benefit Statement

When planning the activities the Trustees have had regard to the Charity Commission's Guidance on the public benefit of the Trust's activities in particular the advancement of public education in appropriate areas of knowledge.

Conferences and Publications

Due to the Covid-19 pandemic the 2020 conference was rescheduled for 2021. The Institute published three issues of the *Galton Review* during the year.

Grant Awards

The Institute makes small grants for conferences and workshops and it currently budgets £11,000 for such grants each year. The availability of grants is advertised on the Institute's website and in its *Galton Review*. Each application is reviewed by three Trustees and, subject to the availability of funding, approved if the proposed conference is expected to further the Institute's aims. Due to the Covid-19 pandemic The Institute decided to suspend grants and awards for Conferences and Workshops as well as for the Postdoctoral Travel Grant until the end of 2020. The number of Conferences and Workshops held and hence awards made was therefore considerably lower than previous years.

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Report of the Council of Management for the year ended 31 December 2020 (continued)

Grant Awards (continued)

In the course of the year the following grants were made:-

Refurbishment of Sir Francis Galton's tomb	£ 520
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Travel Bursaries

The Institute will award up to one travel grant per year for outstanding postdoctoral researchers. Funding will be up to £6,000 per year.

Future Development

The Institute plans to hold its annual conference at the Royal Society in the autumn. This year it will be entitled *Genetic studies of populations: Insights into health and social outcomes*. Arrangements may need to be changed in line with Government Covid-19 restrictions in force at the time. The Institute also intends to publish three *Reviews* in the year.

The Council is actively deliberating a name change and a working group has been set up to address the issue. Ways in which the Institute can increase its activities and impact are also under consideration and work has started on updating the website

Financial Review

The past year has been exceptional in many ways. The pandemic, travel restrictions and lockdowns have had a major and continuing effect on the activities of the Galton Institute. As a precaution, in the early days of the pandemic we took the decision to halt all discretionary spending until the outlook for our investment income became clearer; in the event it has so far held up gratifyingly well. At the same time calls for discretionary spending have also fallen sharply. Most of the meetings for which we would normally provide small grants have been postponed or moved online, and we were obliged to postpone our annual conference until autumn 2021. Thus we have had a year of frustratingly reduced activity, but the financial position remains strong.

The net income for the year before unrealised gains was £66,306 and the General Fund at 31 December 2020 amounted to £3,929,725 compared to £3,532,192 at 31 December 2019. Unrealised gains of £331,227 arose because of the increase in market value of the investments that are managed by the CCLA Fund Managers Ltd COIF Charity Funds.

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Report of the Council of Management for the year ended 31 December 2020 (continued)

Reserves Policy

The Institute's policy is to maintain sufficient reserves to ensure that it is able to meet its running costs from the return on its investments without relying on either subscriptions or external fund-raising.

Risk Assessment

Council has assessed the risks to which the Institute is exposed and is satisfied that systems in place are adequate to mitigate those risks that would threaten the long-term survival of the Institute. Council is content that other risks should be accepted because the cost of mitigating them would be unacceptable.

Recruitment, Induction and Training of Trustees

New trustees are generally identified and proposed by existing Trustees. New Trustees are given a booklet outlining their responsibilities.

Use of Volunteers

The Institute does not primarily carry out its activities through the structured use of volunteers. Some Trustees contribute a large amount of time to the Institute in addition to their duties as Trustees.

Statement of Trustees Responsibilities

Company law requires the Trustees to prepare financial statements for each year which give a true and fair view of the affairs of the company and of its financial position at the year end. In preparing the financial statements the trustees should follow best practice and select suitable accounting policies and apply them consistently. They should make judgements and estimates that are reasonable and prudent and prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

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Report of the Council of Management for the year ended 31 December 2020 (continued)

Honorary officers and organisation

The honorary officers during the year ended 31 December 2020 were as follows:

President	- Professor Veronica van Heyningen stepped down 17 June 2020
President	- Professor Turi King (appointed 17 June 2020)
Vice President	- Professor Dian Donnai
Honorary Treasurer	- Professor Andrew Read
Honorary Librarian	- Professor David Galton
Secretary for Communications	- Robert Johnston (appointed 17 June 2020)

Honorary officers are nominated by Fellows of the Institute and elected for fixed terms of office by the membership. The honorary officers above are responsible for the operation of the company. Administrative matters are delegated to the company's general secretary. A new Officer post of Secretary for Communications was created with the appointment of Robert Johnston.

Council members

Members of the council who served during the year were:

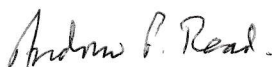
Professor John Beardmore	invited attendee
Dr Elena Bochukova	
Dr Jess Buxton	
Professor David Coleman	stepped down 17 June 2020
Professor Anne Ferguson-Smith	stepped down 18 November 2020
Dr Lesley Hall	stepped down 18 November 2020
Dr Paul Hurd	
Professor Gregory Radick	appointed 17 June 2020
Professor Caroline Relton	
Professor Dallas Swallow	
Professor Rajesh Thakker	
Professor Nicholas Wood	

Accountants

A resolution to reappoint Goodin, Reid & Co as Independent Accountants will be proposed at the Annual General Meeting.

By order of the Council

Andrew P Read
Honorary Treasurer
17 March 2021



**The Galton Institute
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**Statement of financial activities for the year ended 31 December 2020
(Incorporating the income and expenditure account)**

	Note	2020	2019
		£	£
Incoming and endowments from			
Subscriptions		301	586
Investments - investment income		102,077	100,124
- bank interest		244	440
Other		<u>8,824</u>	<u>9,795</u>
Total		111,446	110,945
Expenditure on			
Grants to the BSPS		-	1,500
Grants for small conferences (page 2)		500	7,500
Genetics Society Junior Scientist award		1,000	1,500
Other grants		520	-
Cost of Galton Review		3,525	3,531
Cost of annual conference		0	20,063
Cost of teachers' conference		0	2,157
Cost of publications		0	0
Administration costs	2	<u>36,669</u>	<u>37,298</u>
Total charitable activities		42,214	73,549
Other - governance costs	3	<u>2,926</u>	<u>6,093</u>
Total		<u>45,140</u>	<u>79,642</u>
Net income/(expenditure) for the financial year		66,306	31,302
Net gains on investments	7	<u>331,227</u>	<u>532,951</u>
Net income/(expenditure) for the financial year		397,533	564,253
Reconciliation of funds:			
General Fund balances brought forward		<u>3,532,192</u>	<u>2,967,939</u>
General Fund balances carried forward		<u>3,929,725</u>	<u>3,532,192</u>

The General Fund is unrestricted.

All amounts relate to continuing operations.

The notes on pages 7 to 11 form part of these accounts

**The Galton Institute
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Balance sheet at 31 December 2020

	Note	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	6	132,028		133,099	
Investments – unlisted	7	<u>3,623,099</u>		<u>3,291,872</u>	
			3,755,127		3,424,971
Current assets					
Debtors	8	14,817		15,400	
Investments – deposit account		156,751		86,430	
Cash at bank and in hand		<u>8,873</u>		<u>13,925</u>	
		180,441		115,755	
Liabilities					
Creditors: amounts falling due within one year	9	<u>5,843</u>		<u>8,534</u>	
Net current assets			174,598		107,221
Total net assets			<u>3,929,725</u>		<u>3,532,192</u>
Charity funds					
General Fund	10		<u>3,929,725</u>		<u>3,532,192</u>

The General Fund is unrestricted.

For the year ended 31 December 2020 the company was entitled to exemption under Section 477 of the Companies Act 2006 in relation to small companies.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

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

The accounts have been prepared in accordance with the provisions applicable to Companies subject to the small companies' regime.

These financial statements were approved on 17 March 2021.

Andrew P. Read

Andrew P Read
Honorary Treasurer

The notes on pages 7 to 11 form part of these accounts.

**The Galton Institute
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Notes on the financial statements for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice and applicable United Kingdom law and accounting standards.

The Galton Institute meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with applicable accounting standards.

Going concern

The Council of Management considers that there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting

All income and expenditure is taken to the General Fund. The Institute has no designated or restricted purpose funds.

Incoming resources

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 with sufficient accuracy.

Resources expended

Liabilities are recognised as resources expended as soon as there is an obligation to committing the charity to the expenditure. All expenditure is accounted for on an accruals basis.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Institute and are authorised by the Council of Management.

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Notes on the financial statements for the year ended 31 December 2020

1 Accounting policies (continued)

Charitable support costs have not been allocated to specific expenditure. A large proportion of these costs are accounted for by work given freely by the trustees. To attempt to cost this would be uneconomic to any benefit obtained.

Investments

Investments are stated at market value as at the year end.

Gains and losses on investments

Realised gains and losses in the statement of financial activities represent gains and losses by the Institute on investments sold during the year. Unrealised gains and losses in the statement of financial activities represent the net increase and decrease in the market value of the Institute's investments since the previous balance sheet date or the date acquired, if later.

Tangible fixed assets and depreciation

Depreciation is calculated to write down other assets to their residual values at the end of their anticipated useful lives at the following rates and bases:

Computer equipment	- 20% straight line
Office furniture and other equipment	- 10% on reducing balance
Freehold property	- 2% straight line

2 Support costs

	2020	2019
	£	£
Salary costs (note 4)	31,475	30,644
Rates and service charge	2,314	2,850
Light and heat	1,047	872
Telephone and postage	759	1,823
Printing and stationery	1,186	1,347
Insurance	2,781	2,520
Website and computer expenses	496	732
Repairs and maintenance	599	167
Miscellaneous expenses	22	436
Depreciation	1,072	1,081
Recharged to Related Party	(5,082)	(5,174)
	<u>36,669</u>	<u>37,298</u>

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Notes on the financial statements for the year ended 31 December 2020

2 Support costs (continued)

The council members have agreed that the Related Party, The Artemis Trust, should bear 12.5% of applicable support costs that are borne by the Institute as it shares the support facilities. The method of allocation is on a time used basis.

3 Governance costs

	2020	2019
	£	£
Travel subsistence and room hire	142	3,309
Accountancy and payroll services	<u>2,784</u>	<u>2,784</u>
	<u>2,926</u>	<u>6,093</u>

In common with many charities of our size and nature, we use our accountants to prepare the statutory accounts, maintain our payroll system and bookkeeping. No administration costs have been charged to governance costs as these are carried out by unpaid Members of Council.

4 Salary costs

	2020	2019
	£	£
Salary	31,410	30,644
National insurance	3,128	3,045
Employer's allowance	<u>(3,063)</u>	<u>(3,045)</u>
	31,475	29,898
Amount transferred to Related Party	<u>(3,934)</u>	<u>(3,831)</u>
	<u>27,541</u>	<u>26,814</u>

Number of employees 1 (2019:1)

5 Reimbursement of Council of Management expenses

The amount of reimbursable expenses was as follows:

	2020	2019
	£	£
Travel and room hire expenses	<u>175</u>	<u>3,309</u>

The number of trustees reimbursed was 1 (2019:6).

The Members of Council do not receive any remuneration but may be reimbursed for out of pocket expenses incurred in the performance of Council duties.

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Notes on the financial statements for the year ended 31 December 2020

6 Tangible fixed assets

	Freehold property £	Furniture, fixtures and Equipment £	Total £
Cost			
At 1 January 2020 and 31 December 2020	<u>152,375</u>	<u>28,410</u>	<u>180,785</u>
Depreciation			
At 1 January 2020	<u>20,000</u>	<u>27,686</u>	<u>47,686</u>
Charge for the year	<u>1,000</u>	<u>73</u>	<u>1,073</u>
At 31 December 2020	<u>21,000</u>	<u>27,758</u>	<u>48,758</u>
Net amounts			
At 31 December 2020	<u>131,375</u>	<u>653</u>	<u>132,028</u>
At 31 December 2019	<u>132,375</u>	<u>724</u>	<u>133,099</u>

7 Investments

Unlisted investments	2020 £	2019 £
Market value at 1 January 2020	3,291,872	2,728,921
Additions	-	30,000
Net unrealised gains/(losses)	<u>331,227</u>	<u>532,951</u>
Market value at 31 December 2020	<u>3,623,099</u>	<u>3,291,872</u>
Historical cost at 31 December 2020	<u>1,505,868</u>	<u>1,505,868</u>

8 Debtors

Amounts falling due within one year:	2020 £	2019 £
Subsidiary undertaking	5,082	5,174
Other debtors prepayments	<u>9,735</u>	<u>10,225</u>
	<u>14,817</u>	<u>15,400</u>

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Notes on the financial statements for the year ended 31 December 2020

9 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other creditors and accruals	<u>5,843</u>	<u>8,534</u>

10 General Fund

	2020	2019
	£	£
Balance at 1 January 2020	3,532,192	2,967,939
Net movement in funds (page 5)	<u>397,532</u>	<u>564,253</u>
Balance at 31 December 2020	<u>3,929,725</u>	<u>3,532,192</u>

11 Related Party

The Institute has overall control over and ultimate responsibility for the assets of The Galton Institute Artemis Trust. The latter trust was established on 17 July 1978 to administer the assets of The Society for Constructive Birth Control Limited which was liquidated at that time. The Trust deed provides that the income and assets of the Trust be applied to “preserve and protect the physical and mental health of people, particularly but not only those from poorer communities by assisting in the provision of fertility control and other measures to improve reproductive and sexual health and advancing education in all aspects of reproductive and sexual health.” The Institute provides secretarial and administrative services to the Trust for which it is reimbursed at cost. The total amount of such services in the year was £5,082 (2019:£5,174). The Trust’s net resources for the year was £45,477 including £39,005 of unrealised investment gains (2019: £92,128 of unrealised investment gains), net assets for the year were £684,775 (2019:£ 639,298). At the year end the Trust owed the Institute £5,082 (2019:£5,174).

The Council of Management consider that consolidation of the accounts of the Trust with those of the Institute would be misleading and of no real value to the members of the Institute and accordingly no consolidated accounts have been prepared.

**The Galton Institute
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Independent examiner's report

To the members of The Galton Institute (Limited by Guarantee)

I report on the accounts of the company for the year ended 31 December 2020, which are set out on pages 5 to 11.

Respective duties of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- i) examine the accounts (under section 145 of the Charities Act 2011),
- ii) to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145 (5) of the Charities Act 2011), and
- iii) to state whether particular matters have come to our attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to our attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

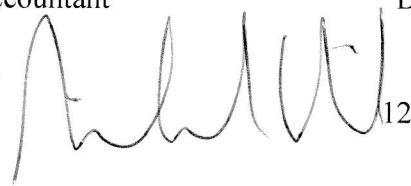
- i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- ii) to prepare accounts which accord with the accounting records, comply with the requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice has not been met, or

(2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Michael Reid

Chartered Accountant

Date: 17 March 2021



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