



KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Company No: 90531
Registered Charity No: 212692

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

I N D E X

Page Number

1 – 2	Reference and administrative details of the Charity, Trustees and Advisers
3 – 4	Report of the Chairman
5 - 7	Report of the Committee
8 – 10	Report of the Auditors
11	Statement of Financial Activities
12	Balance Sheet
13 - 22	Notes to the Financial Statements

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, TRUSTEES AND ADVISERS

Patron

His Royal Highness The Prince of Wales

Committee

Sir Ivor Roberts KCMG, FCIL

Hon Chairman

Mrs Virginia Murray

Hon Co-Vice-Chairman

Professor Duncan Wu

Hon Co-Vice-Chairman

Mr David Leigh-Hunt

Hon Company Secretary

Mr Charles Cary-Elwes

Hon Treasurer

Lord James Abinger

Mr Joe Bates

Mrs Margaret Behan

Ms Sue Bradbury

The Hon Mrs Harriet Cullen

Lady Caroline Egerton

Ms Margaret Fergusson

Resigned 21st September 2021

Mr Anthony Gardner

Mr Angus Graham-Campbell

Dr James Grande

Ms Deborah Hodges

Mr Richard Dunn

Resigned 14th June 2021

The Earl of Woolton

Sub-Committee (Rome)

Mr Richard Dunn

Hon Chair (until 14th June 2021)

Professoressa Maria Valentini

Amb. Jill Morris CMG

Hon Co-Chair

Dott.ssa Alessandra Giovenco

Hon Vice-Chair (until 14th June 2021)

Mr David L J Stainer

Hon Treasurer

Professor Jeffrey N Blanchard

Dott.ssa Rita Cassano

Avvocato Antonello Corrado

Architetto Roberto Einaudi

Mr Rodney Ford

Resigned 14th June 2021

Ms Rachel Launay

Appointed 27th January 2020

Professor Stephen Milner

Resigned 22nd October 2020

Ms Elizabeth Rodini

Dott.ssa Mary Venturini

Curator of the Museum

Dr. Giuseppe Albano

Assistant Curator of the Museum

Luca Caddia

Editor of the Review

Dr. James Grande

Friends Secretary

James Kidd

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (continued)

Company Registration Number

90531

Charity Registration Number

212692

Website addresses

www.keats-shelley.co.uk

www.keats-shelley.com

www.keats-shelley-house.org

Registered Office

11 Staple Inn

London

WC1V 7QH

Investment managers

Smith & Williamson

25 Moorgate

London

EC2R 6AY

Bankers (UK)

Barclays Business Centre

28 Hampstead High Street

London

NW3 1QB

Bankers (Italy)

Banca Intesa Spa

Roma- P Spagna,

Piazza di Spagna 18

00187 Roma

Italia

Registered Auditors

Topaz Solutions Limited

5 Giffard Court

Millbrook Close

Northampton

NN5 5JF

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REPORT OF THE CHAIRMAN

FOR THE YEAR ENDED 31 DECEMBER 2020

While our Keats-Shelley Bicentenary inaugural event at the Italian embassy in February 2020 got us off to a splendid start, our plans for the two bicentenaries programmes have been consistently and frustratingly derailed. It calls to mind Robbie Burns' celebrated dictum "the best-laid plans o' mice an' men gang aft agley". (Keats of course visited both Burns' birthplace and mausoleum (in reverse order) in the course of his Northern walking tour in 1818.)

The first event to be impacted by the pandemic was the Keats- Shelley prize, the 23rd iteration of the original award and the 5th year of the Young Romantics prize. The plan for a live event on 27 April had to be abandoned. Instead, on the appointed day, we were limited to announcing the prize-winners and reading/hearing the judges' comments. I'd like to express the warmest of thanks to the judges Will Kemp and Deryn Rees-Jones and of course our guest judge, Simon Barnes, for their hard work and commitment. No mean task given the number of entries. We are much indebted to them.

Simon Barnes gave an excellent short talk, complete with birdsong accompaniment, which was made available via the Website - prizes section and the winning poems were beautifully read by Will Kemp and (in Deryn's absence through illness) by Dinah Roe.

The numbers of entries were again really impressive and the overall standard remarkably high. While we don't share the Dodo's belief in Alice in Wonderland that all should have prizes, I do hope that all who entered this year will do so next. The huge publicity generated by the Keats' bicentenary should ensure that the rapid growth in the number of entries is sustained. The prospect of being a Young Romantic has never been more challenging or inspiring.

While the prize event had to be radically reshaped, it was handled with superb skill and dedication by Sue Whitley and her co-workers. The adverse circumstances could not have been handled with greater aplomb. As the year advanced but the pandemic refused to disappear, a succession of events had to be abandoned or postponed. Debbie Hodges and Joe Bates of the Bicentenaries sub-committee have performed heroically in dealing with the many challenges thrown up by the frequent postponements and cancellations.

If, like so many other bodies in the cultural field, we have been unlucky in the impact the pandemic has had on our celebrations, we can at least be grateful for the way we have been able to use digital and virtual technology to bring some of our events to a wide audience despite the physical limitations imposed by the health crisis. The Keats-Shelley House has held a remarkable series of events and virtual tours despite having had to close its doors twice in the period from spring 2020 to spring 2021. It is hard to overstate the energy and inventiveness of Giuseppe Albano and his team in presenting a programme which has gone a long way to compensate for the absence or reduced scale of physical events.

Nowhere was this better illustrated than in the programme of events on the 200th anniversary of Keats' death, the 23rd February. To pick a few at random, from flowers laid on his tomb and readings of his poems in the morning of the proceedings at the cimitero acattolico to the performance of 'Writ in Water' by my fellow Trustee Angus Graham-Campbell to a virtual CGI Keats reading 'Bright Star' commissioned from the Institute of Digital Archaeology to a video story on the death of Keats narrated by Bob Geldof, the range of events was stunning. The media reporting and public interest were remarkable and Keats looking down from the poets' Elysium would surely have had to concede that his name, 200 years on, is anything but 'writ in water'.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REPORT OF THE CHAIRMAN

FOR THE YEAR ENDED 31 DECEMBER 2020

We have been delighted to welcome two new Trustees, Reeta Chakrabarti and Sheba Morabito to our ranks. Both bring a wealth of knowledge and experience of our poets to enrich our deliberations. We also warmly welcome Alessandra Giovenco, the archivist of the British School at Rome, as the new chair of the Rome committee. She succeeds the indefatigable Richard Dunn, who, I am delighted to say, has agreed to continue to serve on the Rome Committee.

We have benefitted not for the first time, from the generosity of the John Murray Charitable Foundation and from Lord Abinger in donations both financial and in kind. The Rome House will be enriched by them both. We can only hope that the remaining weeks of the Keats' year and the Shelley bicentenary next will allow us to fulfil many if not all of the programmed events which have had to be held over.

Sir Ivor Roberts KCMG, FCIL
Chairman
21st September 2021

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REPORT OF THE COMMITTEE

The Committee is pleased to present its report (which is also the Director's Report under company law) and Financial Statements for the year ended 31 December 2020, comprising the Statement of Financial Activities, the Balance Sheet and the Notes to the Financial Statements.

The Financial Statements have been prepared under the Charities Act 2011, the Companies Act 2006 and the Charities SORP (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Objectives and Activities of the Association

These are (i) to facilitate appreciation of the works of the two Poets John Keats and Percy Bysshe Shelley and their circle, especially those associated with Italy, (ii) to keep the House at 26 Piazza di Spagna, Rome as a memorial to them by way of a museum and library available to the public, (iii) to preserve books and articles linked to the two Poets, (iv) to care for the graves in Rome of the two Poets and their associates and (v) generally to preserve the memory and works of the two Poets and their circle.

The House is open to the public six days a week, including public holidays except Christmas Day. It performs an educational and cultural role in the life of Rome and those associated with Italy interested in English literature. It receives an increasing number of visitors, particularly school parties. Visitors have the benefit of a detailed description of the life and works of the Poets aided by a trail devised in collaboration with the British Council in Rome, together with two specially commissioned films "Go Thou to Rome" and "A Walk through the Keats-Shelley House" on the history of the House and the Association.

In the U.K., the Committee publishes the Association's bi-annual journal 'The Review' and periodic newsletters. It organises events in the form of lectures, poetry-readings and dramatic presentations. Included in these is an annual poetry and essay writing competition with a presentation of awards at the Keats-Shelley Prize event and the Young Romantics Prize event, both at an annual ceremony in London.

The Committee have had regard to the Charity Commission's guidance on public benefit and are satisfied that the activities as stated above further the charity's purposes for the public benefit.

Financial Review

The income and expenditure for the year is shown on Page 9 of the attached Financial Statements. The principal sources of funds continue to be income from visitors to the House in Rome, rental income, investment income and donations and subscriptions from Friends.

Since 2019 the Trustees have had to meet the challenge of a shortfall in income derived from part of the House in the form of rental following vacancy. Progress has now been made towards an alternative form of income in that respect. It is expected that this will produce an income that will have a significant effect on redressing the shortfall.

In 2020/2021 like other institutions in Italy the House has suffered greatly due to lockdown following the pandemic. This has had a big impact on footfall through the museum but due to the conscientious and innovative hard work of the Curator and his staff a great deal has been achieved by them using digital and other electronic technology to foster the interest of the public and preserve the memory of the Poets.

The principal expenditure during the year under review comprises costs for the staffing, maintenance and running of the House in Rome to enable the Charity to continue to meet its principal stated objectives.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REPORT OF THE COMMITTEE (continued)

Achievements and Performance

The achievements and performance for the year have been summarised in the Report of the Chairman on Pages 3 to 4.

Future Activities

The Committee continues to focus on the stated objectives of the Charity and is committed to reviewing and developing existing activities and strategies to meet these objectives. In 2019, work has commenced on KS200 – a rich programme of events, exhibitions, scholarships and activities in the UK and Italy to commemorate the bicentenaries of Keats' and Shelley's deaths in 2021 and 2020.

The Committee is currently engaged in exploring future funding opportunities, adding to the Museum Collection and seeking to enhance and grow the membership and Friends of the Association.

Investments

The Committee of Trustees has authority under the Articles of Association to undertake investments. Investment policy and strategy is determined and reviewed on a regular basis by the Investment Committee, a sub-committee of Trustees and co-opted members with appropriate knowledge and experience.

Reserves Policy

Unrestricted funds, which are the free reserves of the Charity, comprise the revaluation reserve, designated funds and operating fund of the Charity. It is the policy of the Charity to maintain the operating fund at a level that equates to approximately 12 months unrestricted expenditure, to provide sufficient funds to cover all relevant costs and to see all existing activities through to a satisfactory conclusion. The Trustees monitor the unrestricted funds on an ongoing basis and, on an annual basis, they review the reserves policy, including the level of reserves held. The Committee recognises that the operating fund exceeds the desired level; funds are being retained in anticipation of planned Bi Centenary celebrations of the Poets from 2020 - 2022, which will be in part funded by the Association.

Structure, Governance and Management

The Association is an English registered not for profit company with a Memorandum and Articles of Association and in Italy enjoys the status of an 'ente morale' under of a decree of King Victor Emmanuel II in August 1907. The Association was registered there as a 'persona giuridica' in March 1999.

The Committee in England comprises the Directors of the Association, which was founded in 1903 and has been incorporated in England as a Company limited by guarantee since 1906. The Association is a registered Charity in England and members of the Committee are Trustees of the Charity. The Committee comprises elected members whilst Members of the limited company are co-opted. New trustees are elected and trained by the existing Committee. The Committee convenes for a minimum of four meetings per year at which matters requiring formal decision are decided by vote. There is a Sub-Committee in Rome which has "hands-on" care of the House in Rome and supervises the Curator, the assistant Curator and the staff employed there. The constitution of the Sub-Committee was established in 1903 and reflects the tripartite contribution to the care of the Memorial by British, Americans and Italians. The Chairman of the Rome Sub-Committee is ex-officio a member of the Committee of Trustees. The Rome Sub-Committee includes the current British and American Ambassadors in Rome as ex officio members.

The members of the Committee (the Directors of the Association) and the Rome Sub-Committee are set out on page 1.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

REPORT OF THE COMMITTEE (continued)

AGM and Auditors

The Association's AGM is held in September each year with the financial year ending on 31st December. The appointment of the Auditors is considered annually at the AGM and at any time as appropriate during the financial year.

Statement of Committee's Responsibilities

The Committee (which comprises the Trustees of the Association and the Directors of the Charitable Company for the purposes of company law) is responsible for preparing the Annual Report and Financial Statements in accordance with applicable English law and regulations.

Company law requires the Committee to prepare Financial Statements for each financial year. Under that law, the Committee must prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Committee must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Association and of the incoming resources and application of resources, including the income and expenditure, of the Association for that period.

In preparing these Financial Statements, the Committee are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- e) prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

The Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the Association's transactions and disclose with reasonable accuracy the financial position of the Association and which enable them to ensure that the Financial Statements comply with the Companies Act 2006. The Committee is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Committee confirms that so far as it is aware, there is no relevant audit information (as defined by Section 418(3) of the Companies Act 2006) of which the Association's Auditors are unaware. The Committee Members have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Association's Auditors are aware of that information.

On behalf of the Committee

Mr David Leigh-Hunt
Hon Secretary

Date: 21st September 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

Opinion on Financial Statements

We have audited the Financial Statements of Keats-Shelley Memorial Association (Incorporated) for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet and Notes to the Financial Statements. 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), including FRS 102 "The Financial Reporting standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31st December 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Chairman's Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance or conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED) (continued)**

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' Annual Report, which includes the Directors' Report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Directors' Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to Report by Exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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 and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, the Trustees (who are also the Directors of the charitable 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 and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED) (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

Vanessa Graham BSc FCA

Senior Statutory Auditor

For and on behalf of Topaz Solutions Limited

Chartered Accountants and Statutory Auditors

5 Giffard Court
Millbrook Close
Northampton
NN5 5JF

Date: 30th September 2021

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME & EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted funds £	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Incoming resources	2				
Income and endowments from:					
Donations and legacies		56,989	13,700	70,689	11,656
Charitable activities	3	30,615	-	30,615	139,340
Investment income	4	275,614	-	275,614	248,270
Total		<u>363,218</u>	<u>13,700</u>	<u>376,918</u>	<u>399,266</u>
Resources Expended					
Expenditure on:					
Raising funds	5	57,475	-	57,475	60,823
Charitable activities	6	346,998	13,700	360,698	384,664
Total resources expended		<u>404,473</u>	<u>13,700</u>	<u>418,173</u>	<u>445,487</u>
Net outgoing resources before other recognised gains and losses		(41,255)	-	(41,255)	(46,221)
Gains/(losses) arising in the year					
Realised (losses)/gains on investments		(2,669)	-	(2,669)	9,534
Unrealised (losses)/gains on investments		21,423	-	21,423	85,524
Unrealised gains on heritage assets		112,325	-	112,325	-
Net movement in funds		<u>89,824</u>	<u>-</u>	<u>89,824</u>	<u>48,837</u>
Total funds brought forward		5,872,926	105,740	5,978,666	5,929,829
Total funds carried forward		<u>5,962,750</u>	<u>105,740</u>	<u>6,068,490</u>	<u>5,978,666</u>

The surplus for the year for Companies Act purposes comprises the net incoming resources of unrestricted funds for the year plus realised and unrealised gains and losses on investments and is a deficit of £(41,255) (2019: £(46,221))

The accompanying notes on pages 13 to 22 form part of these Financial Statements.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	31 December 2020		31 December 2019	
		£	£	£	£
Fixed Assets					
Heritage assets	9		4,953,150		4,815,825
Tangible fixed assets	10		238,902		198,112
Investments	11		821,164		841,340
			<u>6,013,216</u>		<u>5,855,277</u>
Current Assets					
Stock of merchandise		30,793		30,383	
Debtors	12	72,578		50,974	
Cash at bank and in hand		111,869		172,742	
		<u>215,240</u>		<u>254,099</u>	
Creditors: amounts falling due within one year					
Creditors and accruals	13	(107,572)		(87,855)	
Net Current Assets			107,668		166,244
			<u>6,120,884</u>		<u>6,021,521</u>
Provision for Liabilities					
Rome employee leaving entitlement	14		(52,394)		(42,855)
Net Assets			<u>6,068,490</u>		<u>5,978,666</u>
Restricted funds	15				
Endowment fund			105,740		105,740
Unrestricted funds	16				
Operating fund		664,902		653,855	
Designated funds		642,640		642,640	
Revaluation reserve		4,655,208		4,576,431	
			<u>5,962,750</u>		<u>5,872,926</u>
			<u>6,068,490</u>		<u>5,978,666</u>

The Financial Statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Committee on 21st September 2021

C Cary-Elwes
Honorary Treasurer

The accompanying notes on pages 13 to 22 form part of these Financial Statements.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and with the Charities SORP (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland", including the early adoption of the Amendments to FRS 102 issued February 2016. The Association has taken advantage of the exemption contained in the Amendments to FRS 102 and has not prepared a Cashflow statement.

In common with many other Charities of our size and nature, the Committee uses the Auditor to assist with the preparation of the Financial Statements.

The Financial Statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain fixed assets using the following policies:

a) *Income and Expenditure*

The Financial Statements have been prepared on the accruals basis, except that donations and legacies are accounted for when their receipt can be ascertained with certainty.

b) *Fixed Assets*

Keats-Shelley Memorial House and the Museum contents are considered heritage assets and are stated in the balance sheet at an attributed value based on the insured value of the assets which, in the opinion of the Committee, is the most appropriate representation of fair value. At the last valuation, the House was insured for €3.34m, an equivalent of £2.45m as at the valuation date. The Museum Collection in the House was insured for a value of £2,365,825 as at April 2019.

The House is an 18th Century Palazzo in the centre of Rome and must be maintained in conformity with planning regulations and architectural requirements for listed buildings specified by the appropriate public authorities in Italy. The building is maintained, the cost of maintenance charged to the statement of financial activities such that, in the Committee's opinion, the residual value of the property based on prices prevailing at the time of valuation is at least equal to the carrying value in the balance sheet. Accordingly, any depreciation charge would not be material.

Other fixed assets are capitalised and stated at cost less an annual depreciation charge to write off the cost less the estimated residual value of the asset over their useful economic lives as follows: -

Improvements to freehold property	– 5% on cost
Fixtures, fittings and computers	– 20 % on cost

c) *Investments*

Investments comprise quoted investments stated at their mid-market price at the balance sheet date. Gains and losses on revaluation are reported in the statement of financial activities.

d) *Stocks of Merchandise*

Stocks of merchandise held at the year-end are stated at the lower of cost and net realisable value.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

e) *Foreign currencies*

Monetary assets and liabilities in foreign currencies are translated into sterling at the year-end rate of exchange. Tangible fixed assets are translated at their historical cost.

Transactions in foreign currencies are translated at the average rate of exchange for the year under review. Exchange differences are taken to the Statement of Financial Activities.

f) *Pension Costs*

The Association contributes to an Italian pension scheme on behalf of its employees. The pension scheme is a defined contribution scheme and the charge recognised within the Statement of Financial Activities is equal to the contributions payable to the scheme for the year.

g) *Taxation*

As a registered Charity, the Association is exempt from certain elements of UK Corporation Taxation. It is not registered in the UK for Valued Added Tax and accordingly the cost of this tax is written off as part of the expenditure to which it relates. The Association is registered for all necessary taxes in Italy.

h) *Support Costs*

Support costs (note 7), excluding salary costs, are allocated annually as a proportionate cost of the total cost of raising funds and charitable expenditure. The allocations for 2020 and comparative figures for 2019 have been calculated as:

Raising funds	5%	(2019 – 6%)
Charitable activities	95%	(2019 – 94%)

Salary costs which are not directly attributable to an activity, are allocated based on estimated time spent on the activities of the Association as follows:

Raising funds	50%	(2019 – 50%)
Charitable activities	50%	(2019 – 50%)

2. INCOME

Total income of £376,918 (2019 - £399,266) includes £317,898 (2019 - £363,574) derived from operations in Italy and £59,019 (2019 - £35,692) derived from the UK.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 DECEMBER 2020**

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
Museum admission fees	9,566	90,486
Sales of books, bulletins and souvenirs	17,866	48,442
Other income from charitable activities	3,183	412
	<hr/>	<hr/>
	30,615	139,340
	<hr/>	<hr/>

4. INCOMING RESOURCES FROM INVESTMENTS

	2020 £	2019 £
Rental income	261,572	228,808
Dividends and interest	14,041	19,462
	<hr/>	<hr/>
	275,613	248,270
	<hr/>	<hr/>

5. COSTS OF RAISING FUNDS

	2020 £	2019 £
Membership costs	5,152	2,877
Fundraising, advertising and PR	889	4,463
Website costs	3,639	1,637
Exhibitions & events	9,212	12,486
Rental property expenses	1,308	1,290
Support costs (note 7)	37,275	38,070
	<hr/>	<hr/>
	57,475	60,823
	<hr/>	<hr/>

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

6. COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	£	£	£	£
<i>Appreciation and preservation of the works of Keats & Shelley and their circle:</i>				
Acquisition and maintenance costs of works and exhibits	-		-	
KS200 Bi centenary	29,332		26,196	
Newsletter & Review	3,395		198	
Competition costs	12,374		19,134	
Sponsorship & bursaries	1,500		600	
Costs of merchandise	-		14,720	
Irrecoverable VAT	766		3,229	
		47,367		64,077
<i>Maintenance and running of Keats-Shelley House as a museum:</i>				
Wages & salaries	92,452		102,354	
Museum Guides	30,858		26,865	
Utilities	15,350		15,760	
Maintenance, cleaning & security	9,829		8,747	
Insurance costs	9,641		9,436	
Other Museum running expenses	10,090		9,429	
Professional fees	-		2,214	
Depreciation on improvements, fixtures & fittings	47,260		40,046	
		215,480		214,851
<i>To care for the graves in Rome:</i>				
Cemetery costs		411		458
Support costs (note 7)		75,707		86,337
Italian corporation tax		20,665		18,258
Exchange loss		1,068		683
Total resources expended on charitable activities		360,698		384,664
<i>Restricted expenditure included in the above comprises:</i>				
		£		£
KS200 Bi Centenary		6,700		-
Competition costs		7,000		4,000

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

7. SUPPORT COSTS

	Year Ended 31 December 2020		Year Ended 31 December 2019	
	Raising Funds	Charitable Activities	Raising Funds	Charitable Activities
	£	£	£	£
Salaries and wages	34,716	34,717	34,834	34,834
Professional advisers	1,791	28,066	1,538	24,092
Investment management fees	402	6,304	440	6,887
Travel and subsistence	110	1,718	936	14,667
Donations & gifts	-	886	-	807
Administration expenses	197	3,091	207	3,246
Bank charges and interest	59	925	115	1,804
	<u>37,275</u>	<u>75,707</u>	<u>38,070</u>	<u>86,337</u>

Auditors remuneration included in professional advisers fees amounts to £4,200 (2019 – £4,200).

8. COMMITTEE AND EMPLOYEES

No members of the Committee received or were entitled to receive any remuneration.

Committee expenses

	Year Ended 31 December 2020 £	Year Ended 31 December 2019 £
During the year 4 (2019 – 10) members of the Committee had expenses reimbursed for printing, stationery, telephone, postage, travel & subsistence of:	<u>1,043</u>	<u>8,079</u>

The average monthly number of persons employed by the Association during the year was 6 (2019 - 6). All these people are employed at the House in Rome.

There is one employee earning over £60,000 (2019 - one).

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

9. HERITAGE ASSETS

	Keats-Shelley House £	Museum Collection £	Total £
Valuation			
Valuation Brought Forward	2,450,000	2,365,825	4,815,825
Addition	-	25,000	25,000
Revaluation	-	112,325	112,325
Valuation Carried Forward	2,450,000	2,503,150	4,953,150

Additions comprise a gift of manuscripts to the Museum Collection. The gift forms part of a larger gift previously loaned to the House, comprising books and a slope of Mary Shelley, which are already contained in the valuations of the Museum Collection brought forward.

10. TANGIBLE FIXED ASSETS

	Improvements To Freehold £	Furniture, Fixtures & Computers £	Total £
Cost or Valuation			
Brought Forward	513,840	115,189	629,029
Additions	25,552	62,498	88,050
Elimination of fully depreciated assets	(246,128)	(975)	(247,103)
Carried Forward	293,264	176,712	469,976
Depreciation			
Brought Forward	351,672	79,245	430,917
Charge for year	31,866	15,394	47,260
Elimination of fully depreciated assets	(246,128)	(975)	(247,103)
Carried Forward	137,410	93,664	231,074
Net Book Value			
At 31 December 2020	155,854	83,048	238,902
At 31 December 2019	162,168	35,944	198,112

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

11. FIXED ASSET INVESTMENTS

	31 December 2020 £	31 December 2019 £
Quoted investments		
Market value at 1 January	818,092	774,639
Additions	253,495	170,946
Disposals	(329,611)	(206,363)
Net movement in realised and unrealised gains and exchange variances	49,070	78,870
	<hr/>	<hr/>
Market value of quoted investments at 31 December	791,046	818,092
	<hr/>	<hr/>
Investments are represented by:		
Quoted securities	791,046	818,092
Cash held by investment managers	30,118	23,248
	<hr/>	<hr/>
	821,164	841,340
	<hr/>	<hr/>
Historical cost of quoted investments as at 31 December	705,741	699,239
	<hr/>	<hr/>

No single investment comprised more than 5% of the market value of investments at the year-end.

12. DEBTORS

	31 December 2020 £	31 December 2019 £
Amounts falling due within one year:		
Italian VAT	53,710	29,973
Italian Corporation Tax	6,374	7,762
Italian taxation debtors	232	238
Other debtors	1,708	2,147
Prepaid expenses and accrued income	10,554	10,854
	<hr/>	<hr/>
	72,578	50,974
	<hr/>	<hr/>

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

13. CREDITORS

	31 December 2020 £	31 December 2019 £
Trade creditors	2,156	375
Italian payroll costs	65,027	53,397
Accrued expenses and prepaid income	32,096	26,549
Italian withholding tax	8,293	7,534
	<hr/>	<hr/>
	107,572	87,855
	<hr/>	<hr/>

14. ROME EMPLOYEE LEAVING ENTITLEMENT

This liability represents deferred pay due to employees in Italy at 31 December 2020, payable when they leave the Association. The amount payable is calculated in accordance with existing Italian legal requirements and the Italian national labour contract.

The movements on the provision in the year are as follows:

	2020 £	2019 £
Balance at 1 January	42,855	42,225
Increase in provision for the year	6,879	2,373
Exchange loss/(gain)	2,103	(2,289)
Revaluation	557	546
	<hr/>	<hr/>
Balance at 31 December	52,394	42,855
	<hr/>	<hr/>

15. RESTRICTED FUNDS

Restricted funds include an Endowment Fund, which was established in 1995 after the receipt of £105,740 as a legacy. This legacy is intended to meet exceptional demands for the upkeep of the Keats-Shelley House in Rome.

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2020

16. UNRESTRICTED FUNDS

	Operating Fund £	Designated Funds £	Revaluation Reserve £	2020 Total £
Balance brought forward	653,855	642,640	4,576,431	5,872,926
Incoming resources for the year	376,918	-	-	376,918
Outgoing resources	(418,173)	-	-	(418,173)
Gains/(losses) on investments	52,302	-	(33,548)	18,754
Gain on heritage assets	-	-	112,325	112,325
Balance carried forward	664,902	642,640	4,655,208	5,962,750

	Operating Fund £	Designated Funds £	Revaluation Reserve £	2019 Total £
Balance brought forward	687,826	644,740	4,491,523	5,824,089
Incoming resources for the year	399,266	-	-	399,266
Outgoing resources	(445,487)	-	-	(445,487)
Gains/(losses) on investments	9,534	-	84,908	95,058
Transfers between funds	2,100	(2,100)	-	-
Balance carried forward	654,139	642,640	4,576,431	5,872,926

Designated funds comprise amounts set aside by the trustees for specific purposes as follows:

	2020 £	2019 £
Acquisitions	350,000	350,000
Improvements and refurbishment	157,896	157,896
Rent contract expiry	95,078	95,078
Sheila Birkenhead Bursary Fund	38,766	38,766
	641,740	641,740
The fixed asset revaluation reserve comprises: -		
Revaluation of freehold property	2,242,941	2,242,941
Revaluation of Museum collection	2,294,980	2,182,655
Revaluation of investments	117,903	151,451
	4,655,824	4,577,047

KEATS-SHELLEY MEMORIAL ASSOCIATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Heritage assets	4,953,150	-	4,953,150
Tangible fixed assets	238,902	-	238,902
Fixed asset investments	715,424	105,740	821,164
Current assets	215,240	-	215,240
Liabilities	(159,966)	-	(159,966)
	<u>5,962,750</u>	<u>105,740</u>	<u>6,068,490</u>

Fund balances at 31 December 2019 are represented by:

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Heritage assets	4,815,825	-	4,815,825
Tangible fixed assets	198,112	-	198,112
Fixed asset investments	735,600	105,740	841,340
Current assets	254,099	-	254,099
Liabilities	(130,710)	-	(130,710)
	<u>5,872,926</u>	<u>105,740</u>	<u>5,978,666</u>