

Charity Registration No. 269697

Company Registration No. 00212824 (England and Wales)

**INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS
LIMITED**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

P E Brades
S D Craddock
P Huxley
V Jackson
D T Rolph
A Stahl
H B Donszelmann
M Westwood
S Hyman
E Peake
A Ryan
C Huber

Secretary

M Watkins

Charity number

269697

Company number

00212824

Registered office

The Royal Academy of Arts
Piccadilly
London
W1V 0DS

Independent examiner

Bright Grahame Murray
Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

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INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Objectives, activities and public benefit

The Trust was incorporated on 19 March 1926 to act as Governor and Manager of the Scholarships founded by Mrs Mary Gertrude Abbey in memory of her husband, the late Edwin Austin Abbey RA; and to award scholarships to successful applicants for the purpose of enabling holders of the scholarships to pursue their artistic studies, and particularly the study of mural decoration and its relation to architecture. 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. The grants made by E.A. Abbey Scholarships enable artists to develop their own work and benefit from working in an academic environment and then bring those experiences back into their painting, teaching and exhibiting practices for the benefit of a large number of students of fine art and worldwide audiences.

The Company has been given licence to omit the word Limited by the Secretary for Trade and Industry. The registered office is the Royal Academy of Arts, Piccadilly, London W1V 0DS.

Achievements and performance

Grantmaking

In February, members of the Abbey Council met to view work submitted by 130 candidates, 59 for the Abbey Scholarship and 71 for the Abbey Fellowships. The panel met in person for interviews in March 2020.

The 2019/20 Abbey Scholarship was awarded to Emily Oliveira.

The 2019/20 Fellowships were awarded to Jeff McMillan, Jeffrey Dennis and Amber Doe.

The Trustees chose to split the Jules de Goede fund equally among the three Fellows with payments of £300 each towards materials and travel within Italy.

Between late March-October 2020 the British School at Rome closed due to Covid 19 restrictions. Two of the 2018/19 awardees were affected; Eleni Odysseos and Bea Bonafini will both return in Spring 2021 to complete their residencies.

Jeffrey Dennis residency is postponed until July-September 2021.

Emily Oliveira's Scholarship is postponed until September 2023.

Financial review

The Trustees review annually the financial resources and endeavour to pursue the charity's objectives without eroding the value of the capital endowment.

The incoming resources of the Trust in 2020 were £87,382 (2019: £103,757) and the expenditure was £79,356 (2019: £89,194), giving a surplus of £18,475 before recognition of losses on investments £19,263 (2019: gains of £19,644).

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy

The Trustees have established the level of free reserves that the charity ought to have. Unrestricted funds are needed to:

- cover support and governance costs;
- provide funds which can be designated to support its charitable grants;
- achieve a liquid reserve to provide cover for unforeseen costs which may arise.

The Trustees consider it prudent that free reserves should be sufficient to cover the charitable grants payable and around 6 months' support and governance costs. The level of free reserves at the year end was around £88,000. The level of reserves is monitored and reviewed by the Trustees throughout the year.

The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Risk management

The principal risks faced by the Trust lie in the performance of investments held by the charity and the operational risk of grants payable to the British School in Rome being payable in Euro.

The investment risk is mitigated by retaining experienced investment managers and having a diversified investment portfolio.

The charity also receives annual donations from a trust whose investments are linked to the US stock market. The charity is therefore exposed to fluctuations in the US stock market and to the strength of the US Dollar, as donations are received in that currency.

Structure, governance and management

Governing document

The Trust is governed by its Memorandum and Articles of Association. The liability of its members is limited to £1 per member.

Details of trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year are listed on the Legal and Administrative Information page to these accounts and below.

Each trustee holds one share of £1 each.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

P E Brades
S D Craddock
P Huxley
V Jackson
D T Rolph
A Stahl
H B Donszelmann
M Westwood
S Hyman
E Peake
A Ryan
C Huber

Recruitment and appointment of new trustees

Names of prospective new Council Members are put forward for consideration by Members of the Council and a discussion is held at a Meeting of the Council or if not all are present, by email. The name/s of the person or persons gaining the maximum number of supporters is/are proposed, seconded and voted on and, if the required number votes is achieved, is/are formally elected to the council.

No new Members of the Council were elected in 2020.

Management and governance arrangements

The Abbey Council met on Zoom in May and November.

Induction and training of new trustees

Upon election by the Council, new trustees (Council Members) are provided with a copy of the Articles and Memorandum of the Company/Charity so that they are fully aware of the aims and objectives of the organisation. They are also made aware of the annual selection procedures and the criteria applied in the selection of the beneficiaries of the Abbey Scholarship and the Abbey Fellowships.

Organisational structure

The Trust is known as Abbey Awards in its everyday public activities.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

The trustees, who are also the directors of Incorporated Edwin Austin Abbey Memorial Scholarships Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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



M Watkins
Secretary

Approved by the trustees on 28/5/21

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

I report to the trustees on my examination of the financial statements of Incorporated Edwin Austin Abbey Memorial Scholarships Limited (the charity) for the year ended 31 December 2020.

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.

Paul Davis FCA
Independent Examiner
Bright Grahame Murray
Chartered Accountants

Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

Dated: 8 June 2021

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	87,382	89,130
Investment income	4	10,449	14,627
Total income		<u>97,831</u>	<u>103,757</u>
<u>Expenditure on:</u>			
Charitable activities	5	<u>79,356</u>	<u>89,194</u>
Net gains/(losses) on investments	10	<u>(19,263)</u>	<u>19,644</u>
Net movement in funds		(788)	34,207
Fund balances at 1 January 2020		<u>438,381</u>	<u>404,174</u>
Fund balances at 31 December 2020		<u><u>437,593</u></u>	<u><u>438,381</u></u>

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

All income and expenditure derive from continuing activities.

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

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11	-			269
Investments	12	349,208			368,471
		<u>349,208</u>			<u>368,740</u>
Current assets					
Debtors	13	425		190	
Cash at bank and in hand		144,450		107,129	
		<u>144,875</u>		<u>107,319</u>	
Creditors: amounts falling due within one year	14	(56,490)		(37,678)	
Net current assets			88,385		69,641
Total assets less current liabilities			<u>437,593</u>		<u>438,381</u>
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		437,581		438,369	
Share capital		12		12	
		<u>437,593</u>		<u>438,381</u>	
		<u>437,593</u>		<u>438,381</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the Trustees on 28/5/21


P E Brades
Trustee


V Jackson
Trustee

Company Registration No. 00212824

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Incorporated Edwin Austin Abbey Memorial Scholarships Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Royal Academy of Arts, Piccadilly, London, W1V 0DS.

1.1 Accounting convention

The accounts 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The consequences of COVID-19 has slightly impacted the value of the investments, the investment return on fund assets and the level of annual donation in the year. However, the trustees believe that the charity has a secure revenue stream which, combined with its cash reserves, will enable it to meet the challenges presented by this virus. As a result the trustees have prepared the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

1.4 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.

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.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is accounted for on an accrual basis and has been listed under headings that aggregate all costs related to that activity. Where costs cannot be directly attributed to particular categories they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are recognised once there is an obligation to make a payment, the payment is probable, and the payment can be measured reliably. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

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

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

Computer equipment	20% on a straight line basis
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

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 Trust only 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.

1.9 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 activities.

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.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	84,314	85,176
Application fees received	3,068	3,954
	<u>87,382</u>	<u>89,130</u>

4 Investment income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	10,357	14,468
Interest receivable	92	159
	<u>10,449</u>	<u>14,627</u>

5 Charitable activities

	2020	2019
	£	£
Grant funding of activities (see note 6)	64,298	71,302
Share of support costs (see note 7)	12,838	15,732
Share of governance costs (see note 7)	2,220	2,160
	<u>79,356</u>	<u>89,194</u>

6 Grants payable

	2020	2019
	£	£
Grants payable to British School at Rome	64,298	71,302
	<u>64,298</u>	<u>71,302</u>

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Staff costs	9,300	-	9,300	12,000
Depreciation	269	-	269	449
Rent	360	-	360	-
Postage, printing, copying and stationery	87	-	87	192
Telephone	90	-	90	68
IT support	409	-	409	433
Travelling expenses	220	-	220	818
Sundry expenses	93	-	93	214
Bank charges	51	-	51	145
Interview costs	1,959	-	1,959	1,413
Legal and professional	-	2,220	2,220	2,160
Analysed to Charitable activities	12,838	2,220	15,058	17,892

Governance costs includes payments to the independent examiner of £2,220 (2019- £2,160) for the examination of the accounts.

8 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Travel expenses reimbursed to 2 (2019 : nil) trustees during the year amounted to £220 (2019 : nil).

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administrative	1	1
Employment costs	2020 £	2019 £
Wages and salaries	9,300	12,000

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

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	(19,263)	19,644

11 Tangible fixed assets

	Computer equipment
	£
Cost	
At 1 January 2020	3,367
At 31 December 2020	3,367
Depreciation and impairment	
At 1 January 2020	3,098
Depreciation charged in the year	269
At 31 December 2020	3,367
Carrying amount	
At 31 December 2020	-
At 31 December 2019	269

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed asset investments

	2020 £	2019 £
Listed investments	349,208	368,471
Listed investments comprise:	£	£
Schroder UK Alpha Plus Fund A Income Fund Units	54,043	55,600
SUTL Cazenove Charity Equity Value Fund A Income Units	208,803	248,761
SUTL Cazenove Charity Bond Fund A Income Units	86,362	64,110
	349,208	368,471

The investments have been impacted by COVID-19. There was a slight fall in the valuation of the investments as at 31 December 2020 resulting in a loss on investment of £19,263.

The investment return on fund assets have also decreased by £4,111 to £10,357 (2019 : £14,468).

13 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	250	-
Prepayments and accrued income	175	190
	425	190

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	68	-
Accruals and deferred income	56,422	37,678
	56,490	37,678

15 Share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
12 Ordinary shares of £1 each	12	12

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2020***

16 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).