

Charity registration number 269697

Company registration number 00212824 (England and Wales)

**INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS
LIMITED**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

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 via Zoom to view work submitted by 149 candidates, 76 for the Abbey Scholarship and 73 for the Abbey Fellowships. Interviews were postponed until July 2021 when candidates were able to attend interviews in person in London. One scholar and three fellows were chosen.

The 2021 Abbey Scholarship was awarded to Claudio Pestana.

The 2021 Fellowships were awarded to Margaux Ogden, Richard Burton and Heloise Delegeue.

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.

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 2021 were £103,444 (2020: £97,831) and the expenditure was £93,155 (2020: £79,356), giving a surplus of £10,289 before recognition of gains on investments £53,740 (2020: losses of £19,263).

Expenditure on charitable activities in 2021 shows a slight increase in payments to the British School at Rome following its reopening after the Covid 19 pandemic.

There has been a full complement of Awardees resident at the BSR since October 2021 and Trustees have voted to increase stipends. The expenditure also shows a decrease in meeting and shortlisting expenses due to meeting online rather than hiring rooms.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

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 £98,000. 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.

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

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021.

Management and governance arrangements

The Abbey Council met on Zoom in May 2021 and in person in November 2021.

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.

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.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 DECEMBER 2021*

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



M Watkins
Secretary

Approved by the trustees on 20 MAY 2022

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 2021.

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: 20 May 2022

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT *FOR THE YEAR ENDED 31 DECEMBER 2021*

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<u>Income from:</u>			
Donations and legacies	2	93,802	87,382
Investment income	3	9,642	10,449
Total income		<u>103,444</u>	<u>97,831</u>
<u>Expenditure on:</u>			
Charitable activities	4	<u>93,155</u>	<u>79,356</u>
Net gains/(losses) on investments	9	<u>53,740</u>	<u>(19,263)</u>
Net movement in funds		64,029	(788)
Fund balances at 1 January 2021		<u>437,593</u>	<u>438,381</u>
Fund balances at 31 December 2021		<u><u>501,622</u></u>	<u><u>437,593</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 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	10		402,948		349,208
Current assets					
Debtors	11	197		425	
Cash at bank and in hand		198,609		144,450	
		198,806		144,875	
Creditors: amounts falling due within one year	12	(100,132)		(56,490)	
Net current assets			98,674		88,385
Total assets less current liabilities			501,622		437,593
Income funds					
<u>Unrestricted funds</u>					
General unrestricted funds		501,610		437,581	
Share capital		12		12	
			501,622		437,593
			501,622		437,593


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 2021.

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.

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 20 May 2022


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 2021

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 value of the investments and the level of annual donation in the year have improved from 2020, the year in which COVID-19 had an impact on the charity. The trustees have prepared the financial statements on a going concern basis as they believe that the charity has a secure revenue stream which, combined with its cash reserves, will enable it to continue in operational existence for the foreseeable future.

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 2021

1 Accounting policies

(Continued)

1.5 Resources expended

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 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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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.

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	90,287	84,314
Application fees received	3,515	3,068
	<u> </u>	<u> </u>

3 Investment income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	9,627	10,357
Interest receivable	15	92
	<u> </u>	<u> </u>
	9,642	10,449
	<u> </u>	<u> </u>

4 Charitable activities

	2021	2020
	£	£
Grant funding of activities (see note 5)	75,323	64,298
Share of support costs (see note 6)	15,498	12,838
Share of governance costs (see note 6)	2,334	2,220
	<u> </u>	<u> </u>
	93,155	79,356
	<u> </u>	<u> </u>

5 Grants payable

	2021	2020
	£	£
Grants payable to British School at Rome	75,323	64,298
	<u> </u>	<u> </u>

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	12,198	-	12,198	9,300
Depreciation	-	-	-	269
Rent	-	-	-	360
Postage, printing, copying and stationery	266	-	266	87
Telephone	-	-	-	90
IT support	398	-	398	409
Travelling expenses	212	-	212	220
Sundry expenses	41	-	41	93
Bank charges	152	-	152	51
Exhibition costs	1,481	-	1,481	-
Interview costs	750	-	750	1,959
Legal and professional	-	2,334	2,334	2,220
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Analysed to				
Charitable activities	15,498	2,334	17,832	15,058
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Governance costs includes payments to the independent examiner of £2,334 (2020- £2,220) for the examination of the accounts.

7 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Travel expenses reimbursed to 2 (2020 : 2) trustees during the year amounted to £66 (2020 : £220).

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administrative	1	1
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	12,000	9,300
Social security costs	112	-
Other pension costs	86	-
	<u> </u>	<u> </u>
	12,198	9,300
	<u> </u>	<u> </u>

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2021*

8 Employees (Continued)

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

9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Revaluation of investments	53,740	(19,263)

INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

10 Fixed asset investments

	2021 £	2020 £
Listed investments	402,948	349,208
Listed investments comprise:	£	£
Schroder UK Alpha Plus Fund A Income Fund Units	59,294	54,043
SUTL Cazenove Charity Equity Value Fund A Income Units	261,803	208,803
SUTL Cazenove Charity Bond Fund A Income Units	81,851	86,362
	402,948	349,208

The investments were impacted by COVID-19 in 2020 but have recovered in 2021. There was a significant increase in the valuation of the investments as at 31 December 2021 resulting in a gain on investment of £53,740.

The investment return on fund assets have decreased slightly by £730 to £9,627 (2020 : £10,357).

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	-	250
Prepayments and accrued income	197	175
	197	425

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	74	68
Other creditors	43	-
Accruals and deferred income	100,015	56,422
	100,132	56,490

13 Share capital

	2021 £	2020 £
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 2021

14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).