

**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 2022**

# **INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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**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

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# **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 2022**

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The trustees present their annual report and financial statements for the year ended 31 December 2022.

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 158 candidates, 81 for the Abbey Scholarship and 77 for the Abbey Fellowships. Interviews were held at the Art Workers' Guild in March. One scholar and four fellows were chosen, as follows:

The 2022 Abbey Scholarship was awarded to Lucy Tarquinio.

The 2022 Fellowships were awarded to Andro Semeiko, Luke Burton, Mark Epstein and Selma Parlour.

The Trustees chose to split the Jules de Goede fund equally among the 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 2022 were £119,241 (2021: £103,444) and the expenditure was £86,539 (2021: £93,155), giving a surplus of £32,702 before recognition of losses on investments of £36,819 (2021: gains of £53,740).

# **INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED**

## **TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022**

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### ***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 £131,000. 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 2022**

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### ***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 2022.

### ***Management and governance arrangements***

The Abbey Council met at the Art Workers Guild in May 2022 and at the Royal Academy of Arts in February 2022.

### ***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 2022**

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



.....  
**M Watkins**  
Secretary

Approved by the trustees on ..... 

# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

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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 2022.

#### 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: 7 July 2023



# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds 2022 £	Unrestricted funds 2021 £
<b><u>Income from:</u></b>			
Donations and legacies	2	106,161	93,802
Investment income	3	13,080	9,642
<b>Total income</b>		<u>119,241</u>	<u>103,444</u>
<b><u>Expenditure on:</u></b>			
Charitable activities	4	<u>86,539</u>	<u>93,155</u>
Net gains/(losses) on investments	9	<u>(36,819)</u>	<u>53,740</u>
<b>Net movement in funds</b>		(4,117)	64,029
Fund balances at 1 January 2022		<u>501,622</u>	<u>437,593</u>
<b>Fund balances at 31 December 2022</b>		<u><u>497,505</u></u>	<u><u>501,622</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 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Investments	10		366,129		402,948
<b>Current assets</b>					
Debtors	11	279		197	
Cash at bank and in hand		211,205		198,609	
		211,484		198,806	
<b>Creditors: amounts falling due within one year</b>	12	(80,108)		(100,132)	
Net current assets			131,376		98,674
<b>Total assets less current liabilities</b>			497,505		501,622
<b>Income funds</b>					
<u>Unrestricted funds</u>					
General unrestricted funds		497,493		501,610	
Share capital		12		12	
			497,505		501,622
			497,505		501,622

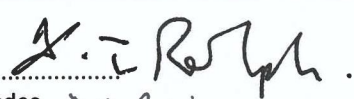
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.


The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on .....

  
P E Brades  
Trustee

  
V Jackson  
Trustee

Company registration number 00212824

# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 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 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 2022

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### 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 2022

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	102,336	90,287
Application fees received	3,825	3,515
	<u>106,161</u>	<u>93,802</u>

### 3 Investment income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from listed investments	12,315	9,627
Interest receivable	765	15
	<u>13,080</u>	<u>9,642</u>

### 4 Charitable activities

	2022	2021
	£	£
Grant funding of activities (see note 5)	69,711	75,323
Share of support costs (see note 6)	14,428	15,498
Share of governance costs (see note 6)	2,400	2,334
	<u>86,539</u>	<u>93,155</u>

### 5 Grants payable

	2022	2021
	£	£
Grants payable to British School at Rome	<u>69,711</u>	<u>75,323</u>

# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	11,998	-	11,998	12,198
Postage, printing, copying and stationery	246	-	246	266
IT support	442	-	442	398
Travelling expenses	467	-	467	212
Sundry expenses	37	-	37	41
Bank charges	162	-	162	152
Exhibition costs	-	-	-	1,481
Interview costs	1,076	-	1,076	750
Legal and professional	-	2,400	2,400	2,334
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Analysed to Charitable activities	14,428	2,400	16,828	17,832
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Governance costs includes payments to the independent examiner of £2,400 (2021- £2,334) for the examination of the accounts.

### 7 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Travel expenses reimbursed to 3 (2021 : 2) trustees during the year amounted to £279 (2021 : £66).

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administrative	<u>1</u>	<u>1</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	12,000	12,000
Social security costs	(171)	112
Other pension costs	169	86
	<u>11,998</u>	<u>12,198</u>

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

# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 9 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(36,819)	53,740

### 10 Fixed asset investments

	2022	2021
	£	£
Listed investments	366,129	402,948
Listed investments comprise:	£	£
Schroder UK Alpha Plus Fund A Income Fund Units	51,753	59,294
SUTL Cazenove Charity Equity Value Fund A Income Units	251,250	261,803
SUTL Cazenove Charity Bond Fund A Income Units	63,126	81,851
	366,129	402,948

The investments were impacted by sharp rising inflation and falling asset prices. This had significantly affected the valuation of the investments as at 31 December 2022 resulting in a loss on investment of £36,819.

The investment return on fund assets have increased by £2,688 to £12,315 (2021 : £9,627).

### 11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	97	-
Prepayments and accrued income	182	197
	279	197

# INCORPORATED EDWIN AUSTIN ABBEY MEMORIAL SCHOLARSHIPS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	-	74
Other creditors	42	43
Accruals and deferred income	80,066	100,015
	<u>80,108</u>	<u>100,132</u>

### 13 Share capital

	2022 £	2021 £
Ordinary share capital Issued and fully paid 12 Ordinary shares of £1 each	12	12
	<u>12</u>	<u>12</u>

### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).