

THE COURTAULD INSTITUTE OF ART FUND

England & Wales · Charity number 288509

Details

Status Registered

Legal form Other

Registered 1984-01-17

Register [View on the Charity Commission register](#)

Contact

Address Courtauld Institute Of Art
Somerset House
Strand
London
WC2R 0RN

Phone 02039477777

Email advancement@courtauld.ac.uk

Website <https://courtauld.ac.uk/>

Activities

Objects: (1) THE ADVANCEMENT OF PUBLIC EDUCATION IN THE HISTORY OF ART AND ARCHITECTURE THROUGH TEACHING AND RESEARCH AND THE PUBLICATION OF THE USEFUL RESULTS OF SUCH RESEARCH. (2) THE CARE CONSERVATION AND RESTORATION OF WORKS OR ART FOR THE PUBLIC BENEFIT AND TEACHING AND RESEARCH AND THE PUBLICATION OF THE USEFUL RESULTS OF SUCH RESEARCH. (3) THE ACCOMMODATION AND PUBLIC DISPLAY OF WORKS OF ART. (4) THE INCREASE OF PUBLIC KNOWLEDGE AND APPRECIATION OF ART AND ARCHITECTURE. (5) THE ADVANCEMENT OF SUCH OTHER CHARITABLE PURPOSES AS MAY FROM TIME TO TIME BE PROMOTED BY THE INSTITUTE.

Activities: To promote the advancement of public education in the history of art and architecture and the care, conservation and restoration of works of art for the public benefit by raising funds to support the Courtauld Institute of Art

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£434,415	£1,134,415	-	-
2024-07-31	£1,252,700	£1,502,700	£750,000	0
2023-07-31	£1,474,425	£974,425	£1,000,000	0
2022-07-31	£1,870,510	£1,870,510	£500,000	0
2021-07-31	£2,771,923	£2,771,923	£500,000	0

Trustees

Name	Role	Appointed
Professor Mark Louis Hallett	Chair	2024-04-25
Eleonore Julie Aurelie Valais de Sibert		2024-04-25
Francesca Meera Morris		2023-02-02
Monica Varriale		2024-12-19
Professor Dorothy Price		2026-05-19
Rodney Culliford Jones		2026-05-19

Accounts

**THE COURTAULD INSTITUTE OF ART FUND
CHARITY REGISTRATION NO. 288509**

Report and Financial Statements

For the year ended 31 July 2025

THE COURTAULD INSTITUTE OF ART FUND

Report and Financial Statements

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THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT

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The trustees are pleased to present their report and audited financial statements for the year ended 31 July 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Courtauld Institute of Art Fund ('the Fund')
Charity Number: 288509
Principal Address: Somerset House, Strand, London, WC2R 0RN

TRUSTEES

The trustees who held office throughout the year and since year end are listed below.

Francesca Morris
Professor Mark Hallett
Professor Antony Eastmond
Eleonore de Sibert
Monica Varriale (appointed 19 December 2024)

PROFESSIONAL ADVISORS

Banker

Lloyds TSB, 22-24, Southampton St, London, WC2E 7JA
Royal Bank of Scotland, London Drummonds, 49 Charing Cross, London SW1A 2DX

Auditor

Crowe UK, 55 Ludgate Hill, Moorgate, London, EC4M 7JW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtauld Institute of Art Fund ('the Fund') was established as a charity by a Deed of Trust dated 20 December 1983 and is registered as such with the Charity Commission. The Fund's financial results are consolidated into the group accounts of the Courtauld Institute of Art, a company limited by guarantee (company no. 4464432) and an exempt charity regulated by the Office for Students under the Charities Act 2011. The registered office of the Courtauld Institute of Art is Somerset House, The Strand, London WC2R.

Appointment of trustees

As set out in the Trust Deed, trustees are appointed by the existing trustees and confirmed in post at a board meeting.

Trustees' induction and training

The Fund is managed by a board of trustees who meet on an annual basis to agree a grant to the Courtauld Institute of Art ('the Institute') according to the wishes of donors to the Fund. All of the current trustees are current employees of the Institute and are experienced charity officials. As such, no policy for the training of trustees currently exists beyond that in place for new trustees of the Institute itself. This will be reviewed as and when an independent trustee is appointed in the future.

Organisation

The board of trustees administers the charity. The board meets once a year at its annual board meeting and, where necessary, more frequently on an informal basis during the year to discuss issues as they arise.

All of the current trustees are current or former employees of the Institute. The Fund has no direct staff, with all administrative and other work in connection with the Fund being carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute.

Risk management

As part of the Courtauld Institute of Art group the risks faced by the Fund are considered by the Governing Board of the Institute. The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key risks faced by the Fund are:

- the failure to reach fundraising targets, leaving the fund unable to fully support the work of the Institute; and
- the failure to properly record restrictions placed on donations by individual donors, resulting in funds being put to a purpose that does not match the wishes of the donor.

Related parties

The Fund was established in order to raise funds for the Courtauld Institute of Art, an exempt charity, and continues to be used for that purpose. The current trustees are all senior current employees of the Institute. As such the Fund considers itself to be a part of the Courtauld Institute of Art group.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our objectives are set so as to reflect our aim of supporting the Courtauld Institute of Art, as noted above. In setting our objectives, our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Under the terms of the Trust Deed, the main objectives of the Fund are as follows:

1. The advancement of public education in the history of art and architecture.
2. The care, conservation and restoration of works of art for the public benefit.
3. The accommodation and public display of works of art.
4. The increase of public knowledge and appreciation of art and architecture.
5. The advancement of such other charitable purposes as may from time to time be promoted by the Institute.

The principal method by which the Fund seeks to achieve these aims and provide public benefit is by raising funds to support the activities of the Courtauld Institute of Art, which in turn provides Higher Education courses and public conferences, lectures and symposia in the history of art and architecture and on the subject of art conservation; conserves and displays original works of art in its public gallery; and engages with other museums, galleries, higher education institutions, schools and government department to exchange knowledge and share experiences on the subject of art and architecture.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Fund raised £434,415 (2023/24: £1,252,700) for the purpose of supporting the work of the Courtauld Institute of Art and made grants to the Institute totalling £1,072,317 (2023/24: £1,490,456). These included grants in support of the Gallery's exhibition programme, student scholarships, conservation work as well as unrestricted grants to be directed to those areas the Institute itself considers to be of greatest need.

The funds raised have enabled the Institute to meet its objectives by conserving and displaying damaged and fragile works of art that might otherwise be lost; engage with schools and members of the public through gallery tours, school visits and public lectures and provide scholarships to enable students that might otherwise be unable to attend to study at The Courtauld.

FINANCIAL REVIEW

Results for the year to 31 July 2025

The Fund is wholly reliant on donations from other trusts, foundations and members of the public to meet its running costs and fund the donations made by the Fund to The Courtauld. The results for the year are set out in the Statement of Financial Activities on page 9.

Total operating income for the year was £434,415 (2023/24: £1,252,700), comprising £434,415 in donations including recoverable gift aid (2023/24: £1,252,700). The Fund incurred costs of £62,098 during the year in the form of audit fees, bank charges and commission charges on the sale of a painting (2023/24: £12,244).

Taking into account these results, the trustees have approved grants to the Institute totalling £1,072,317 (2023/24: £1,490,456).

Monitoring achievement

The Courtauld Institute of Art sets annual fundraising targets for scholarships, endowments and other revenue donations which in turn determine the targets for the Fund as the principal fundraising vehicle for the Institute. The results for the year to 31 July 2025 were consistent with plans.

Principal sources of funding

The Fund raises income through voluntary donations from individuals as well as from other Trusts and Foundations.

Grant-making policy

The charity will make grants to The Courtauld Institute of Art in a manner consistent with the wishes of the original donor and the charity's purposes as outlined above. All funding is subject to review by the Board of Trustees.

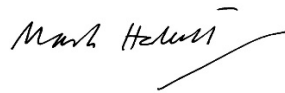
Reserves policy

The Fund believes that it would be inappropriate to hold on to funds any longer than is absolutely necessary and has little need for permanent free reserves. The trustees aim to maintain a level of free reserves (defined as income that is not yet spent, committed or designated, excluding fixed assets) in unrestricted funds of between £30,000 - £60,000 which is considered to be sufficient for its needs. At 31 July 2025 the Fund's free reserves stood at £50,000, in line with the reserves policy.

PLANS FOR FUTURE PERIODS

The aim for the future of the Fund is to continue to support the objectives set out on page 2 of this report. It is the intention of the trustees that the Fund will achieve these objectives by facilitating the fundraising activities of the Institute to enable the Institute to focus on delivering its full range of programmes and activities to its students and to the public at large. Individual donations will be made to the Fund, and the Fund will then in turn make a single donation to the Institute on behalf of the individual donors.

Approved by the Board of Trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Mark Hallett', with a long horizontal flourish extending to the right.

Professor Mark Hallett
Chairman

Registered Office: Somerset House
Strand
London WC2R 0RN

Date: 16 December 2025

THE COURTAULD INSTITUTE OF ART FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

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Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the Trustees of The Courtauld Institute of Art Fund 6

Opinion

We have audited the financial statements of The Courtauld Institute of Art Fund for the year ended 31 July 2025 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 July 2025 and of its deficit 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 Charities Act 2011.

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 charity 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or

- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees 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 charity'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 intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of donation and grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the

Trustees about their own identification and assessment of the risks of irregularities, sample testing on donation and grant income, reviewing the funding agreements and correspondence with the funders, sample testing the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe UK LLP

Crowe U.K. LLP

Statutory Auditor

London

Date: 19 December 2025

THE COURTAULD INSTITUTE OF ART FUND
STATEMENT OF FINANCIAL ACTIVITIES
31 JULY 2025

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	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Year ended 31 July 2024 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Donations and legacies:					
Donations (inc recoverable gift aid)		47,030	387,385	434,415	1,252,700
Total income and endowments		47,030	387,385	434,415	1,252,700
EXPENDITURE ON					
<i>Raising funds:</i>					
Administration costs	7	(10,767)	-	(10,767)	(6,244)
Loss on disposal of heritage asset	7	(45,031)	-	(45,031)	-
<i>Charitable activities:</i>					
Academic and student support	6	-	(209,027)	(209,027)	(624,835)
Conservation funds	6	-	(152)	(152)	(15,345)
Gallery funds	6	-	(350,000)	(350,000)	(350,000)
Public programmes	6	-	-	-	(350,499)
Research	6	-	(78,206)	(78,206)	(77,982)
General funds	7	(434,932)	-	(434,932)	(71,795)
Support costs	3, 7	(6,300)	-	(6,300)	(6,000)
Total resources expended		(497,030)	(637,385)	(1,134,415)	(1,502,700)
NET MOVEMENT IN FUNDS IN THE YEAR		(450,000)	(250,000)	(700,000)	(250,000)
FUND BALANCES BROUGHT FORWARD		500,000	250,000	750,000	1,000,000
TOTAL FUNDS CARRIED FORWARD		50,000	-	50,000	750,000

All incoming and outgoing resources derive from continuing operations. The charity has no gains or losses other than those recognised in this statement of financial activities. All of the charitable grants detailed above have been made to The Courtauld Institute of Art in accordance with the wishes of the donors.

The accompanying notes on pages 12 to 14 form an integral part of these financial statements.

THE COURTAULD INSTITUTE OF ART FUND
BALANCE SHEET
31 JULY 2025

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	Notes	2025 £	2024 £
NON-CURRENT ASSETS			
Heritage asset	9	-	450,000
CURRENT ASSETS			
Debtors	4	21,011	264,386
Cash and cash equivalents		<u>38,289</u>	<u>95,704</u>
		59,300	360,090
CREDITORS: amounts			
falling due within one year	5	<u>(9,300)</u>	<u>(60,090)</u>
NET CURRENT ASSETS		<u>50,000</u>	<u>300,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES – NET ASSETS		<u><u>50,000</u></u>	<u><u>750,000</u></u>
FUNDS			
Income funds			
Restricted	6	-	250,000
Unrestricted	7	<u>50,000</u>	<u>500,000</u>
TOTAL FUNDS		<u><u>50,000</u></u>	<u><u>750,000</u></u>

These financial statements were approved by the Board of Trustees on 16 December 2025 and signed on their behalf by:



Professor Mark Hallett
Chairman

The accompanying notes on pages 12 to 14 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019.

The Fund has taken advantage of the exemption in Financial Reporting Standard FRS 102 chapter 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate. The Fund receives donations, transfers them in the form of grants and would never grant more than it receives. The charity will have sufficient funds to meet its liabilities over the twelve-month period following the signing of the accounts.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

The Fund's activities, together with the factors likely to affect the future development, performance and financial position, are set out in the Trustees' report on pages 1 to 4, along with the Fund's objectives, policies and processes for managing its exposure to financial risk.

(c) Incoming resources

Voluntary income including legacies, donations and recoverable gift aid is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The charity uses transparent and accountable processes to ensure that charitable funds are distributed effectively. Grants are made in compliance with the charity's grant making policy. Grants are recognised when specific and unconditional commitment to provide grant funding is given and this has been communicated directly to The Courtauld Institute of Art, giving rise to a constructive obligation.

Governance costs comprise the costs of running the charity, including the external audit fee and all costs to comply with statutory requirements and public accountability, if any.

(e) Financial instruments

Financial instruments are classified and accounted for according to the substance of contractual arrangements, as either financial assets, financial liabilities or equity instruments.

(f) Fund structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation (or the income generated by that donation) must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds for the purpose of supporting the work of the Courtauld Institute of Art.

(g) Taxation

The Courtauld Institute of Art Fund is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is not registered for Value Added Tax and as such is unable to recover any tax on its purchases. All non-recoverable VAT is included within the appropriate expenditure headings.

(h) Tangible fixed assets

Heritage assets are capitalised at the value on acquisition, where such a valuation is reasonably obtainable. The last valuation of the asset took place in 2017 and valuations take place every ten years. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

2. LEGAL STATUS OF THE TRUST

The trust is a registered charity.

3. GOVERNANCE

	2025	2024
	£	£
Audit fees	6,300	6,000
	<u>6,300</u>	<u>6,000</u>

Included within audit fees above are the following amounts receivable by the external auditor:

-Statutory audit fee £5,250 (2023/24: £5,000). There were no non-audit fees in the period (2023/24: Nil).

The Fund had no employees during the year or prior year. No trustees received any remuneration or expenses from the charity.

4. DEBTORS

	2025	2024
	£	£
Grant receivable	-	250,000
Gift Aid recoverable	-	14,386
Amounts owed by the Courtauld Institute of Art	21,011	-
	<u>21,011</u>	<u>264,386</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Amounts owed to the Courtauld Institute of Art	-	7,590
Other creditors	3,000	46,500
Accruals	6,300	6,000
	<u>9,300</u>	<u>60,090</u>

	Balance as at 1 August 2024	New funds	Grants and transfers	Administration costs	Governance costs	Balance as at 31 July 2025
	£	£	£	£	£	£
6. Restricted funds						
Academic and student support	-	209,027	(209,027)	-	-	-
Conservation funds	-	152	(152)	-	-	-
Gallery funds	250,000	100,000	(350,000)	-	-	-
Public programmes	-	-	-	-	-	-
Research	-	78,206	(78,206)	-	-	-
	250,000	387,385	(637,385)	-	-	-
7. Unrestricted Funds						
Heritage asset	450,000	-	(404,969)	(45,031)	-	-
Annual fund	50,000	47,030	(29,963)	(10,767)	(6,300)	50,000
	500,000	47,030	(434,932)	(55,798)	(6,300)	50,000
	750,000	434,415	(1,072,317)	(55,798)	(6,300)	50,000

New funds are stated inclusive of recoverable gift aid and bank interest where applicable. Funds are treated as restricted where the donor has specified a particular purpose for the use of the funds according to the category detailed in note 6 above. The Annual fund detailed in note 7 represents funds given in response to the Annual fund appeal where the donor has requested that their donation be applied wherever the need is greatest. Administration costs relate to bank and credit card charges connected to the processing of donations.

8. FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

9. FIXED ASSETS

	Heritage assets £	Total £
Valuation		
As at 1 August 2024	450,000	450,000
Disposal	(450,000)	(450,000)
As at 31 July 2025	-	-

The disposal during 2024/25 relates to the sale of Alfred Sisley's *Le Chemin des Buttes (Au Printemps)*. The proceeds were granted to the Courtauld Institute of Art.

10. CAPITAL COMMITMENTS

There were no capital commitments at the year-end (2023/24: Nil).

11. RELATED PARTY TRANSACTIONS

All the trustees are directors, current or former employees of the Courtauld Institute of Art (refer to note 12). No trustee or person connected to a trustee received remuneration or other benefit as a result of their work for the Fund. Expenses incurred by the charity for trustees during the year totalled £Nil (2023/24: £Nil).

All funds received on behalf of the Courtauld Institute of Art are disbursed to the Institute in accordance with the wishes of the original donor.

12. CONTROLLING PARTY

The trustees consider that the charity is controlled by the Courtauld Institute of Art, which it considers to be its immediate and ultimate parent undertaking. The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of Charities Act 1993. Website www.courtauld.ac.uk

The Courtauld Institute of Art, which is a higher education institution, prepares group financial statements. The charity is exempt from disclosing transactions with its group undertakings as it is wholly controlled.

13. STAFF COSTS

The Fund did not employ any staff during the year (2023/24: £Nil). All administrative and other work in connection with the Fund was carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute. On that basis the Institute took the decision not to recharge costs in connection with that work to the Fund.

14. EVENTS AFTER THE REPORTING PERIOD

There were no events after the end of the reporting period.

THE COURTAULD INSTITUTE OF ART FUND

England & Wales - Charity number 288509

Accounts

THE COURTAULD INSTITUTE OF ART FUND
CHARITY REGISTRATION NO. 288509

Report and Financial Statements

For the year ended 31 July 2024

THE COURTAULD INSTITUTE OF ART FUND

Report and Financial Statements

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THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT

1

The trustees are pleased to present their report and audited financial statements for the year ended 31 July 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Courtauld Institute of Art Fund ('the Fund')
Charity Number: 288509
Principal Address: Somerset House, Strand, London, WC2R 0RN

TRUSTEES

The trustees who held office throughout the year and since year end are listed below.

Professor Alixe Bovey
Francesca Morris
Professor Mark Hallett (appointed 25 April 2024)
Professor Antony Eastmond (appointed 25 April 2024)
Eleonore de Sibert (appointed 25 April 2024)

PROFESSIONAL ADVISORS

Banker

Lloyds TSB, 22-24, Southampton St, London, WC2E 7JA
Royal Bank of Scotland, London Drummonds, 49 Charing Cross, London SW1A 2DX

Auditor

Crowe UK, 55 Ludgate Hill, Moorgate, London, EC4M 7JW

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtauld Institute of Art Fund ('the Fund') was established as a charity by a Deed of Trust dated 20 December 1983 and is registered as such with the Charity Commission. The Fund's financial results are consolidated into the group accounts of the Courtauld Institute of Art, a company limited by guarantee (company no. 4464432) and an exempt charity regulated by the Office for Students under the Charities Act 2011. The registered office of the Courtauld Institute of Art is Somerset House, The Strand, London WC2R.

Appointment of trustees

As set out in the Trust Deed, trustees are appointed by the existing trustees and confirmed in post at the annual general meeting (AGM).

Trustees' induction and training

The Fund is managed by a board of trustees who meet on an annual basis to agree a grant to the Courtauld Institute of Art ('the Institute') according to the wishes of donors to the Fund. All of the current trustees are current employees of the Institute and are experienced charity officials. As such, no policy for the training of trustees currently exists beyond that in place for new trustees of the Institute itself. This will be reviewed as and when an independent trustee is appointed in the future.

Organisation

The board of trustees administers the charity. The board meets annually at its AGM and more frequently on an informal basis during the year to discuss issues as they arise. All of the current trustees are current or former employees of the Institute. The Fund has no direct staff, with all administrative and other work in connection with the Fund being carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute.

Risk management

As part of the Courtauld Institute of Art group the risks faced by the Fund are considered by the Governing Board of the Institute. The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key risks faced by the Fund are:

- the failure to reach fundraising targets, leaving the fund unable to fully support the work of the Institute; and
- the failure to properly record restrictions placed on donations by individual donors, resulting in funds being put to a purpose that does not match the wishes of the donor.

Related parties

The Fund was established in order to raise funds for the Courtauld Institute of Art, an exempt charity, and continues to be used for that purpose. The current trustees are all senior current employees of the Institute. As such the Fund considers itself to be a part of the Courtauld Institute of Art group.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our objectives are set so as to reflect our aim of supporting the Courtauld Institute of Art, as noted above. In setting our objectives, our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Under the terms of the Trust Deed, the main objectives of the Fund are as follows:

1. The advancement of public education in the history of art and architecture.
2. The care, conservation and restoration of works of art for the public benefit.
3. The accommodation and public display of works of art.
4. The increase of public knowledge and appreciation of art and architecture.
5. The advancement of such other charitable purposes as may from time to time be promoted by the Institute.

The principal method by which the Fund seeks to achieve these aims and provide public benefit is by raising funds to support the activities of the Courtauld Institute of Art, which in turn provides Higher Education courses and public conferences, lectures and symposia in the history of art and architecture and on the subject of art conservation; conserves and displays original works of art in its public gallery; and engages with other museums, galleries, higher education institutions, schools and government department to exchange knowledge and share experiences on the subject of art and architecture.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Fund raised £1,252,700 (2022/23: £1,474,425) for the purpose of supporting the work of the Courtauld Institute of Art and made grants to the Institute totalling £1,490,456 (2022/23: £954,967). These included grants in support of the Gallery's exhibition programme, public education programmes, student scholarships, conservation work as well as unrestricted grants to be directed to those areas the Institute itself considers to be of greatest need.

The funds raised have enabled the Institute to meet its objectives by conserving and displaying damaged and fragile works of art that might otherwise be lost; engage with schools and members of the public through gallery tours, school visits and public lectures and provide scholarships to enable students that might otherwise be unable to attend to study at The Courtauld.

FINANCIAL REVIEW

Results for the year to 31 July 2024

The Fund is wholly reliant on donations from other trusts, foundations and members of the public to meet its running costs and fund the donations made by the Fund to The Courtauld. The results for the year are set out in the Statement of Financial Activities on page 9.

Total operating income for the year was £1,252,700 (2022/23: £1,474,425), comprising £1,252,700 in donations including recoverable gift aid (2022/23: £1,474,425). The Fund incurred costs of £12,244 during the year in the form of audit fees and bank charges (2022/23: £19,458).

Taking into account these results, the trustees have approved grants to the Institute totalling £1,490,456 (2022/23: £954,967).

Monitoring achievement

The Courtauld Institute of Art sets annual fundraising targets for scholarships, endowments and other revenue donations which in turn determine the targets for the Fund as the principal fundraising vehicle for the Institute. The results for the year to 31 July 2024 were consistent with plans.

Principal sources of funding

The Fund raises income through voluntary donations from individuals as well as from other Trusts and Foundations.

Grant-making policy

The charity will make grants to The Courtauld Institute of Art in a manner consistent with the wishes of the original donor and the charity's purposes as outlined above. All funding is subject to review by the Board of Trustees.

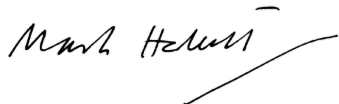
Reserves policy

The Fund believes that it would be inappropriate to hold on to funds any longer than is absolutely necessary and has little need for permanent free reserves. The trustees aim to maintain a level of free reserves (defined as income that is not yet spent, committed or designated, excluding fixed assets) in unrestricted funds of between £30,000 - £60,000 which is considered to be sufficient for its needs. At 31 July 2024 the Fund's free reserves stood at £50,000, in line with the reserves policy.

PLANS FOR FUTURE PERIODS

The aim for the future of the Fund is to continue to support the objectives set out on page 2 of this report. It is the intention of the trustees that the Fund will achieve these objectives by facilitating the fundraising activities of the Institute to enable the Institute to focus on delivering its full range of programmes and activities to its students and to the public at large. Individual donations will be made to the Fund, and the Fund will then in turn make a single donation to the Institute on behalf of the individual donors.

Approved by the Board of Trustees and signed on their behalf by:

 19/12/2024

Professor Mark Hallett
Chairman
Registered Office:

Somerset House
Strand
London WC2R 0RN

THE COURTAULD INSTITUTE OF ART FUND **5**
STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES'
ANNUAL REPORT AND FINANCIAL STATEMENTS

Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of The Courtauld Institute of Art Fund for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charity's affairs as at 31 July 2024 and of its deficit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice[and;
- have been prepared in accordance with the requirements of Charities Act 2011.

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 charity 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; or

- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 5, the Trustees 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 charity'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 intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of donation and grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on donation and grant income, reviewing the funding agreements and correspondence with the funders, sample testing the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditors' 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date: 20 December 2024

THE COURTAULD INSTITUTE OF ART FUND
STATEMENT OF FINANCIAL ACTIVITIES
31 JULY 2024

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	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Year ended 31 July 2023 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Donations and legacies:					
Donations (inc recoverable gift aid)		84,039	1,168,661	1,252,700	1,474,425
Total income and endowments		84,039	1,168,661	1,252,700	1,474,425
EXPENDITURE ON					
<i>Raising funds:</i>					
Administration costs	7	(6,244)	-	(6,244)	(5,958)
<i>Charitable activities:</i>					
Academic and student support	6	-	(624,835)	(624,835)	(205,614)
Conservation funds	6	-	(15,345)	(15,345)	(2,128)
Gallery funds	6	-	(350,000)	(350,000)	(465,358)
Courtauld Connects	6	-	-	-	(10,450)
Public programmes	6	-	(350,499)	(350,499)	-
Research	6	-	(77,982)	(77,982)	(77,323)
General funds	7	(71,795)	-	(71,795)	(194,094)
Support costs	3, 7	(6,000)	-	(6,000)	(13,500)
Total resources expended		(84,039)	(1,418,661)	(1,502,700)	(974,425)
NET MOVEMENT IN FUNDS IN THE YEAR		-	(250,000)	(250,000)	500,000
FUND BALANCES BROUGHT FORWARD		500,000	500,000	1,000,000	500,000
TOTAL FUNDS CARRIED FORWARD		500,000	250,000	750,000	1,000,000

All incoming and outgoing resources derive from continuing operations. The charity has no gains or losses other than those recognised in this statement of financial activities. All of the charitable grants detailed above have been made to The Courtauld Institute of Art in accordance with the wishes of the donors.

The accompanying notes on pages 12 to 14 form an integral part of these financial statements.

THE COURTAULD INSTITUTE OF ART FUND
BALANCE SHEET
31 JULY 2024

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	Notes	2024 £	2023 £
NON-CURRENT ASSETS			
Heritage asset	9	450,000	450,000
CURRENT ASSETS			
Debtors	4	264,386	589,725
Cash and cash equivalents		95,704	60,016
		<u>360,090</u>	<u>649,741</u>
CREDITORS: amounts			
falling due within one year	5	<u>(60,090)</u>	<u>(99,741)</u>
NET CURRENT ASSETS		<u>300,000</u>	<u>550,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES – NET ASSETS		<u>750,000</u>	<u>1,000,000</u>
FUNDS			
Income funds			
Restricted	6	250,000	500,000
Unrestricted	7	<u>500,000</u>	<u>500,000</u>
TOTAL FUNDS		<u>750,000</u>	<u>1,000,000</u>

These financial statements were approved by the Board of Trustees on 19 December 2024 and signed on their behalf by:



Professor Mark Hallett
Chairman

19 December 2024

The accompanying notes on pages 12 to 14 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019.

The Fund has taken advantage of the exemption in Financial Reporting Standard FRS 102 chapter 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate. The Fund receives donations, transfers them in the form of grants and would never grant more than it receives. The charity will have sufficient funds to meet its liabilities over the twelve-month period following the signing of the accounts.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

The Fund's activities, together with the factors likely to affect the future development, performance and financial position, are set out in the Trustees' report on pages 1 to 4, along with the Fund's objectives, policies and processes for managing its exposure to financial risk.

(c) Incoming resources

Voluntary income including legacies, donations and recoverable gift aid is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The charity uses transparent and accountable processes to ensure that charitable funds are distributed effectively. Grants are made in compliance with the charity's grant making policy. Grants are recognised when specific and unconditional commitment to provide grant funding is given and this has been communicated directly to The Courtauld Institute of Art, giving rise to a constructive obligation.

Governance costs comprise the costs of running the charity, including the external audit fee and all costs to comply with statutory requirements and public accountability, if any.

(e) Financial instruments

Financial instruments are classified and accounted for according to the substance of contractual arrangements, as either financial assets, financial liabilities or equity instruments.

(f) Fund structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation (or the income generated by that donation) must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds for the purpose of supporting the work of the Courtauld Institute of Art.

(g) Taxation

The Courtauld Institute of Art Fund is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is not registered for Value Added Tax and as such is unable to recover any tax on its purchases. All non-recoverable VAT is included within the appropriate expenditure headings.

(h) Tangible fixed assets

Heritage assets valued at £450,000 are capitalised at the value on acquisition, where such a valuation is reasonably obtainable. The last valuation of the asset took place in 2017 and future valuations will then take place every ten years. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

2. LEGAL STATUS OF THE TRUST

The trust is a registered charity.

3. GOVERNANCE

	2024	2023
	£	£
Audit fees	6,000	13,500
	<u>6,000</u>	<u>13,500</u>

Included within audit fees above are the following amounts receivable by the external auditor:

-Statutory audit fee £5,000 (2022/23: £11,250). There were no non-audit fees in the period (2022/23: Nil).

The Fund had no employees during the year or prior year. No trustees received any remuneration or expenses from the charity.

4. DEBTORS

	2024	2023
	£	£
Grant receivable	250,000	500,000
Gift Aid recoverable	14,386	44,725
Legacy income accrued	-	45,000
	<u>264,386</u>	<u>589,725</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Amounts owed to the Courtauld Institute of Art	7,590	86,241
Other creditors	46,500	-
Accruals	6,000	13,500
	<u>60,090</u>	<u>99,741</u>

	Balance as at 1 August 2023	New funds	Grants and transfers	Administration costs	Governance costs	Balance as at 31 July 2024
	£	£	£	£	£	£
6. Restricted funds						
Academic and student support	-	624,835	(624,835)	-	-	-
Conservation funds	-	15,345	(15,345)	-	-	-
Gallery funds	500,000	100,000	(350,000)	-	-	250,000
Public programmes	-	350,499	(350,499)	-	-	-
Research	-	77,982	(77,982)	-	-	-
	500,000	1,168,661	(1,418,661)	-	-	250,000
7. Unrestricted Funds						
Heritage asset	450,000	-	-	-	-	450,000
Annual fund	50,000	84,039	(71,795)	(6,244)	(6,000)	50,000
	500,000	84,039	(71,795)	(6,244)	(6,000)	500,000
	1,000,000	1,252,700	(1,490,456)	(6,244)	(6,000)	750,000

New funds are stated inclusive of recoverable gift aid and bank interest where applicable. Funds are treated as restricted where the donor has specified a particular purpose for the use of the funds according to the category detailed in note 6 above. The Annual fund detailed in note 7 represents funds given in response to the Annual fund appeal where the donor has requested that their donation be applied wherever the need is greatest. Administration costs relate to bank and credit card charges connected to the processing of donations.

8. FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

9. FIXED ASSETS

Valuation	Heritage assets £	Total £
As at 1 August 2023	450,000	450,000
As at 31 July 2024	450,000	450,000

10. CAPITAL COMMITMENTS

There were no capital commitments at the year-end (2022/23: Nil).

11. RELATED PARTY TRANSACTIONS

All the trustees are directors, current or former employees of the Courtauld Institute of Art (refer to note 12). No trustee or person connected to a trustee received remuneration or other benefit as a result of their work for the Fund. Expenses incurred by the charity for trustees during the year totalled £Nil (2022/23: £Nil).

All funds received on behalf of the Courtauld Institute of Art are disbursed to the Institute in accordance with the wishes of the original donor.

12. CONTROLLING PARTY

The trustees consider that the charity is controlled by the Courtauld Institute of Art, which it considers to be its immediate and ultimate parent undertaking. The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of Charities Act 1993. Website www.courtauld.ac.uk

The Courtauld Institute of Art, which is a higher education institution, prepares group financial statements. The charity is exempt from disclosing transactions with its group undertakings as it is wholly controlled.

13. STAFF COSTS

The Fund did not employ any staff during the year (2022/23: £Nil). All administrative and other work in connection with the Fund was carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute. On that basis the Institute took the decision not to recharge costs in connection with that work to the Fund.

14. EVENTS AFTER THE REPORTING PERIOD

There were no events after the end of the reporting period.

THE COURTAULD INSTITUTE OF ART FUND

England & Wales - Charity number 288509

Accounts

THE COURTAULD INSTITUTE OF ART FUND
CHARITY REGISTRATION NO. 288509

Report and Financial Statements

For the year ended 31 July 2023

THE COURTAULD INSTITUTE OF ART FUND

Report and Financial Statements

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THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT

1

The trustees are pleased to present their report and audited financial statements for the year ended 31 July 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Courtauld Institute of Art Fund ('the Fund')
Charity Number: 288509
Principal Address: Somerset House, Strand, London, WC2R 0RN

TRUSTEES

The trustees who held office throughout the year and since year end are listed below.

Professor Deborah Swallow (Chairman) (until 31st July 2023)
Professor Alixe Bovey
Francesca Morris (from 2nd February 2023)

PROFESSIONAL ADVISORS

Banker

Lloyds TSB, 22-24, Southampton St, London, WC2E 7JA
Royal Bank of Scotland, London Drummonds, 49 Charing Cross, London SW1A 2DX

Auditors

KPMG LLP, 15 Canada Square, London E14 5GL

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtauld Institute of Art Fund was established as a charity by a Deed of Trust dated 20 December 1983 and is registered as such with the Charity Commission. The Fund's financial results are consolidated into the group accounts of the Courtauld Institute of Art, a company limited by guarantee (company no. 4464432) and an exempt charity regulated by the Office for Students under the Charities Act 2011. The registered office of the Courtauld Institute of Art is Somerset House, The Strand, London WC2R.

Appointment of trustees

As set out in the Trust Deed, trustees are appointed by the existing trustees and confirmed in post at the annual general meeting (AGM).

Trustees' induction and training

The Fund is managed by a board of trustees who meet on an annual basis to agree a grant to the Courtauld Institute of Art ('the Institute') according to the wishes of donors to the Fund. All of the current trustees are current employees of the Institute and are experienced charity officials. As such, no policy for the training of trustees currently exists beyond that in place for new trustees of the Institute itself. This will be reviewed as and when an independent trustee is appointed in the future.

Organisation

The board of trustees administers the charity. The board meets annually at its AGM and more frequently on an informal basis during the year to discuss issues as they arise. All of the current trustees are current or former employees of the Institute. The Fund has no direct staff, with all administrative and other work in connection with the Fund being carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute.

Risk Management

As part of the Courtauld Institute of Art group the risks faced by the Fund are considered by the Governing Board of the Institute. The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key risks faced by the Fund are:

- the failure to reach fundraising targets, leaving the fund unable to fully support the work of the institute; and
- the failure to properly record restrictions placed on donations by individual donors, resulting in funds being put to a purpose that does not match the wishes of the donor.

Related parties

The Fund was established in order to raise funds for the Courtauld Institute of Art, an exempt charity, and continues to be used for that purpose. The current trustees are all senior current employees of the Institute. As such the Fund considers itself to be a part of the Courtauld Institute of Art group.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our objectives are set so as to reflect our aim of supporting the Courtauld Institute of Art, as noted above. In setting our objectives, our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Under the terms of the Trust Deed, the main objectives of the Fund are as follows:

1. The advancement of public education in the history of art and architecture.
2. The care, conservation and restoration of works of art for the public benefit.
3. The accommodation and public display of works of art.
4. The increase of public knowledge and appreciation of art and architecture.
5. The advancement of such other charitable purposes as may from time to time be promoted by the Institute.

The principal method by which the Fund seeks to achieve these aims and provide public benefit is by raising funds to support the activities of the Courtauld Institute of Art, which in turn provides Higher Education courses and public conferences, lectures and symposia in the history of art & architecture and on the subject of art conservation; conserves and displays original works of art in its public gallery; and engages with other museums, galleries, higher education institutions, schools and government department to exchange knowledge and share experiences on the subject of art and architecture.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Fund raised £1,474,425 (2021/22 £1,870,510) for the purpose of supporting the work of the Courtauld Institute of Art and made a grant to the Institute of £954,967 (2021/22 £1,859,596). This included a number of grants for the Courtauld Gallery in support of public education programmes and staff costs, and other grants in support of student scholarships, conservation work, the Institute's libraries, Courtauld Connects Project as well as unrestricted grants to be directed to those areas the Institute itself considers to be of greatest need.

The funds raised have enabled the Institute to meet its objectives by conserving and displaying damaged and fragile works of art that might otherwise be lost; engage with schools and members of the public through gallery tours, school visits and public lectures and provide scholarships to enable students that might otherwise be unable to attend to study at The Courtauld.

FINANCIAL REVIEW

Results for the year to 31 July 2023

The Fund is wholly reliant on donations from other trusts, foundations and members of the public to meet its running costs and fund the donations made by the Fund to The Courtauld. The results for the year are set out in the Statement of Financial Activities on page 9.

Total operating income for the year was £1,474,425 (2021/22: £1,870,510), comprising £1,474,425 in donations including recoverable gift aid (2021/22: £1,870,510). Operating income reduced in 2022/23 due to the fact that the prior year figure included a total of £564,217 relating to the Courtauld Connects project, whereas there was no equivalent donation in 2022/23. The Fund incurred costs of £19,458 during the year in the form of audit fees and bank charges (2021/22 £10,914).

Taking into account these results, trustees have approved a grant to the Institute of £954,967 (2021/22: £1,859,596).

Monitoring Achievement

The Courtauld Institute of Art sets annual fundraising targets for Scholarships, Endowments and other revenue donations which in turn determine the targets for the Fund as the principal fundraising vehicle for the Institute. The results for the year to 31 July 2023 were consistent with plans.

Principal sources of funding

The Fund raises income through voluntary donations from individuals as well as from other Trusts and Foundations.

Grant Making Policy

The charity will make grants to The Courtauld Institute of Art in a manner consistent with the wishes of the original donor and the charity's purposes as outlined above. All funding is subject to review by the Board of Trustees.

Reserves policy

The Fund believes that it would be inappropriate to hold on to funds any longer than is absolutely necessary and has little need for permanent free reserves. The trustees aim to maintain a level of free reserves (defined as income that is not yet spent, committed or designated) in unrestricted funds of between £30,000 - £60,000 which is considered to be sufficient for its needs. However, at 31 July 2023 the Fund's free reserves stood at £1,000,000 due to the bequest of artwork valued at £450,000 received in the 2016/17 Financial Year and retained in the fund at year end.

THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT continued

4

PLANS FOR FUTURE PERIODS

The aim for the future of the Fund is to continue to support the objectives set out on page 2 of this report. It is the intention of the trustees that the Fund will achieve these objectives by facilitating the fundraising activities of the Institute to enable the Institute to focus on delivering its full range of programmes and activities to its students and to the public at large. Individual donations will be made to the Fund, and the Fund will then in turn make a single donation to the Institute on behalf of the individual donors.

The effects of the war in Ukraine, the cost of living crisis and the ongoing impact of Brexit on income generation remain uncertain. It is not possible to fully quantify the impact on the Fund.

Following the completion of Phase 1 of the Courtauld Connects project, Phase 2 sets out the Institute's plans to transform the teaching spaces at Somerset House and to reconstruct the organisation's business model to secure a sustainable future for The Courtauld; this includes greatly improved accessibility and the delivery of an Art for All model of engagement.

AUDITORS

The financial year 2022/23 was the final year of the contract with KPMG for the audit of the Courtauld Institute of Art group, including the Courtauld Institute of Art Fund. A tendering exercise for the appointment of new external auditors for the financial year 2023/24 onwards is expected to be concluded early in 2024.

Approved by the Board of Trustees and signed on their behalf



Professor Mark Hallett
Chairman

Registered Office: Somerset House
Strand
London WC2R 0RN

THE COURTAULD INSTITUTE OF ART FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

5

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of The Courtauld Institute of Art Fund ("the charity") for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees, the Courtauld Institute of Art audit committee and the Courtauld Institute of Art's internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes of the parent.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the charity's revenue and costs are tied together very closely.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and discussed with the trustees the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and charities legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection recognising the regulated nature of the Charity's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 5, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Harry Mears

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square

Canary Wharf

London

E14 5GL

29 April 2024

**THE COURTAULD INSTITUTE OF ART FUND
STATEMENT OF FINANCIAL ACTIVITIES
31 JULY 2023**

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	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Year ended 31 July 2022 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Donations and Legacies:					
Donations (inc recoverable gift aid)		213,552	1,260,873	1,474,425	1,870,510
Total income and endowments		213,552	1,260,873	1,474,425	1,870,510
EXPENDITURE ON					
<i>Raising Funds:</i>					
Administration costs	7	(5,958)	-	(5,958)	(4,914)
<i>Charitable activities:</i>					
Academic and Student Support	6	-	(205,614)	(205,614)	(289,254)
Conservation funds	6	-	(2,128)	(2,128)	(117)
Gallery funds	6	-	(465,358)	(465,358)	(442,198)
Courtauld Connects	6	-	(10,450)	(10,450)	(564,217)
Public Programmes	6	-	-	-	(168,696)
Membership	6	-	-	-	(5,810)
Research	6	-	(77,323)	(77,323)	(146,300)
General funds	7	(194,094)	-	(194,094)	(243,004)
Support Costs	3, 7	(13,500)	-	(13,500)	(6,000)
Total resources expended		(213,552)	(760,873)	(974,425)	(1,870,510)
NET MOVEMENT IN FUNDS IN THE YEAR		-	500,000	500,000	-
FUND BALANCES BROUGHT FORWARD		500,000	-	500,000	500,000
TOTAL FUNDS CARRIED FORWARD		500,000	500,000	1,000,000	500,000

All incoming and outgoing resources derive from continuing operations. The charity has no gains or losses other than those recognised in this statement of financial activities. All of the charitable grants detailed above have been made to The Courtauld Institute of Art in accordance with the wishes of the donors.

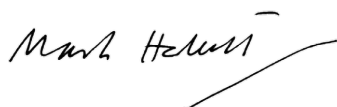
The accompanying notes on pages 12 to 15 form an integral part of these financial statements.

THE COURTAULD INSTITUTE OF ART FUND
BALANCE SHEET
31 JULY 2023

11

	Notes	2023 £	2022 £
NON-CURRENT ASSETS			
Heritage Asset	9	450,000	450,000
CURRENT ASSETS			
Debtors	4	589,725	74,726
Cash and Cash Equivalents		<u>60,016</u>	<u>81,207</u>
		649,741	155,933
CREDITORS: amounts			
falling due within one year	5	<u>(99,741)</u>	<u>(105,933)</u>
NET CURRENT ASSETS			
		<u>550,000</u>	<u>50,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES – NET ASSETS			
		<u>1,000,000</u>	<u>500,000</u>
FUNDS			
Income funds			
Restricted	6	500,000	-
Unrestricted	7	<u>500,000</u>	<u>500,000</u>
TOTAL FUNDS			
		<u>1,000,000</u>	<u>500,000</u>

These financial statements were approved by the Board of Trustees on 25 April 2024 and signed on their behalf



Professor Mark Hallett
Chairman

The accompanying notes on pages 12 to 15 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019.

The Fund has taken advantage of the exemption in Financial Reporting Standard FRS102 chapter 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate. The Fund receives donations, transfers them in the form of grants and would never grant more than it receives. The charity will have sufficient funds to meet its liabilities over the twelve-month period following the signing of the accounts.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

The Fund's activities, together with the factors likely to affect the future development, performance and financial position, are set out in the Trustees' Report on pages 1 to 4, along with the Fund's objectives, policies and processes for managing its exposure to financial risk.

(c) Incoming resources

Voluntary income including legacies, donations and recoverable gift aid is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The charity uses transparent and accountable processes to ensure that charitable funds are distributed effectively. Grants are made in compliance with the charity's grant making policy. Grants are recognised when specific and unconditional commitment to provide grant funding is given and this has been communicated directly to The Courtauld Institute of Art, giving rise to a constructive obligation.

Governance costs comprise the costs of running the charity, including the external audit fee and all costs to comply with statutory requirements and public accountability, if any.

(e) Financial Instruments

Financial Instruments are classified and accounted for according to the substance of contractual arrangements, as either financial assets, financial liabilities or equity instruments.

(f) Fund structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation (or the income generated by that donation) must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds for the purpose of supporting the work of the Courtauld Institute of Art.

(g) Taxation

The Courtauld Institute of Art Fund is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is not registered for Value Added Tax and as such is unable to recover any tax on its purchases. All non-recoverable VAT is included within the appropriate expenditure headings.

(h) Tangible Fixed Assets

Heritage assets valued at £450,000 are capitalised at the value on acquisition, where such a valuation is reasonably obtainable. The last valuation of the asset took place in 2017 and future valuations will then take place every ten years. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

2. LEGAL STATUS OF THE TRUST

The trust is a registered charity.

3. GOVERNANCE

	2023	2022
	£	£
Audit fees	13,500	6,000
	<u>13,500</u>	<u>6,000</u>

Included within Audit fees above are the following amounts receivable by the external auditor:
 -Statutory audit fee £11,250 (2022 £5,000). There were no non-audit fees in the period (2022 NIL).

The Fund had no employees during the year or prior year other than trustees. No trustees received any remuneration or expenses from the charity.

4. DEBTORS

	2023	2022
	£	£
Grant receivable	500,000	-
Gift Aid recoverable	44,725	74,726
Legacy income accrued	45,000	-
	<u>589,725</u>	<u>74,726</u>

5. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Amounts owed to the Courtauld Institute of Art	86,241	99,933
Accruals	13,500	6,000
	<u>99,741</u>	<u>105,933</u>

	Balance as at 1 August 2022	New Funds	Grants & Transfers	Administration Costs	Governance Costs	Balance as at 31 July 2023
	£	£	£	£	£	£
6. Restricted Funds						
Academic & Student support	-	205,614	(205,614)	-	-	-
Conservation Funds	-	2,128	(2,128)	-	-	-
Gallery Funds	-	965,358	(465,358)	-	-	500,000
Courtauld Connects	-	10,450	(10,450)	-	-	-
Research	-	77,323	(77,323)	-	-	-
	-	1,260,873	(760,873)	-	-	500,000
7. Unrestricted Funds						
Heritage Asset	450,000	-	-	-	-	450,000
Annual Fund	50,000	213,552	(194,094)	(5,958)	(13,500)	50,000
	500,000	213,552	(194,094)	(5,958)	(13,500)	500,000
	500,000	1,474,425	(954,967)	(5,958)	(13,500)	1,000,000

New Funds are stated inclusive of recoverable gift aid and bank interest where applicable. Funds are treated as restricted where the donor has specified a particular purpose for the use of the funds according to the category detailed in note 6 above. The Annual Fund detailed in note 7 represents funds given in response to the Annual Fund appeal where the donor has requested that their donation be applied wherever the need is greatest. Administration costs relate to bank and credit card charges connected to the processing of donations.

8. FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

9. FIXED ASSETS

	Heritage Assets £	Total £
Valuation		
As at 1 August 2022	450,000	450,000
As at 31 July 2023	450,000	450,000

10. CAPITAL COMMITMENTS

There were no capital commitments at the year-end (2022 NIL).

11. RELATED PARTY TRANSACTIONS

All the trustees are directors, current or former employees of the Courtauld Institute of Art (refer to note 12). No Trustee or person connected to a trustee received remuneration or other benefit as a result of their work for the Fund. Expenses incurred by the Charity for Trustees during the year totalled £Nil (2021-22: £Nil).

All funds received on behalf of the Courtauld Institute of Art are disbursed to the Institute in accordance with the wishes of the original donor.

12. CONTROLLING PARTY

The trustees consider that the charity is controlled by the Courtauld Institute of Art, which it considers to be its immediate and ultimate parent undertaking. The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of Charities Act 1993. Web site www.courtauld.ac.uk

The Courtauld Institute of Art, which is a higher education institution, prepares group financial statements. The charity is exempt from disclosing transactions with its group undertakings as it is wholly controlled.

13. STAFF COSTS

The Fund did not employ any staff during the year (2021-22: £Nil). All administrative and other work in connection with the Fund was carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute. On that basis the Institute took the decision not to recharge costs in connection with that work to the Fund.

14. EVENTS AFTER THE REPORTING PERIOD

There were no events after the end of the reporting period.

THE COURTAULD INSTITUTE OF ART FUND

England & Wales - Charity number 288509

Accounts

**THE COURTAULD INSTITUTE OF ART FUND
CHARITY REGISTRATION NO. 288509**

Report and Financial Statements

For the year ended 31 July 2022

THE COURTAULD INSTITUTE OF ART FUND

Report and Financial Statements

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THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT

1

The trustees are pleased to present their report and audited financial statements for the year ended 31 July 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Courtauld Institute of Art Fund ('the Fund')
Charity Number: 288509

Principal Address: Somerset House, Strand, London, WC2R 0RN

TRUSTEES

The trustees who held office throughout the year and since year end are listed below.

Professor Deborah Swallow (Chairman)
Professor Alixe Bovey
Lila Kanner (appointed 16th December 2021 and resigned 25th April 2022)

PROFESSIONAL ADVISORS

Banker

Lloyds TSB, 22-24, Southampton St, London, WC2E 7JA
Royal Bank of Scotland, London Drummonds, 49 Charing Cross, London SW1A 2DX

Auditors

KPMG LLP, 15 Canada Square, London E14 5GL

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtauld Institute of Art Fund was established as a charity by a Deed of Trust dated 20 December 1983 and is registered as such with the Charity Commission.

Appointment of trustees

As set out in the Trust Deed, trustees are appointed by the existing trustees and confirmed in post at the annual general meeting (AGM).

Trustees' induction and training

The Fund is managed by a board of trustees who meet on an annual basis to agree a grant to the Courtauld Institute of Art ('the Institute') according to the wishes of donors to the Fund. All of the current trustees are current employees of the Institute and are experienced charity officials. As such, no policy for the training of trustees currently exists beyond that in place for new trustees of the Institute itself. This will be reviewed as and when an independent trustee is appointed in the future.

Organisation

The board of trustees administers the charity. The board meets annually at its AGM and more frequently on an informal basis during the year to discuss issues as they arise. All of the current trustees are current or former employees of the Institute. The Fund has no direct staff, with all administrative and other work in connection with the Fund being carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute.

Risk Management

As part of the Courtauld Institute of Art group of companies, the risks faced by the Fund are considered by the Governing Board of the Institute. The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key risks faced by the Fund are:

- the failure to reach fundraising targets, leaving the fund unable to fully support the work of the institute; and
- the failure to properly record restrictions placed on donations by individual donors, resulting in funds being put to a purpose that does not match the wishes of the donor.

Related parties

The Fund was established in order to raise funds for the Courtauld Institute of Art, an exempt charity, and continues to be used for that purpose. The current trustees are all senior current employees of the Institute. As such the Fund considers itself to be a part of the Courtauld Institute of Art group.

SCT Enterprises Ltd is a wholly owned trading subsidiary of the Courtauld Institute of Art. Professor Deborah Swallow and Dr Ernst Vegelin van Claerbergen were Directors of SCT Enterprises Ltd throughout the year. The Fund did not enter into any transaction of any kind with SCT Enterprises Ltd during the year.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our objectives are set so as to reflect our aim of supporting the Courtauld Institute of Art, as noted above. In setting our objectives, our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Under the terms of the Trust Deed, the main objectives of the Fund are as follows:

1. The advancement of public education in the history of art and architecture.
2. The care, conservation and restoration of works of art for the public benefit.
3. The accommodation and public display of works of art.
4. The increase of public knowledge and appreciation of art and architecture.
5. The advancement of such other charitable purposes as may from time to time be promoted by the Institute.

The principal method by which the Fund seeks to achieve these aims and provide public benefit is by raising funds to support the activities of the Courtauld Institute of Art, which in turn provides Higher Education courses and public conferences, lectures and symposia in the history of art & architecture and on the subject of art conservation; conserves and displays original works of art in its public gallery; and engages with other museums, galleries, higher education institutions, schools and government department to exchange knowledge and share experiences on the subject of art and architecture.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Fund raised £1,870,510 for the purpose of supporting the work of the Courtauld Institute of Art and made a grant to the Institute of £1,859,596. This included a number of grants for the Courtauld Gallery in support of public education programmes and staff costs, and other grants in support of student scholarships, conservation work, the Institute's libraries, Courtauld Connects Project as well as unrestricted grants to be directed to those areas the Institute itself considers to be of greatest need.

The funds raised have enabled the Institute to meet its objectives by conserving and displaying damaged and fragile works of art that might otherwise be lost; engage with schools and members of the public through gallery tours, school visits and public lectures and provide scholarships to enable students that might otherwise be unable to attend to study at The Courtauld.

FINANCIAL REVIEW

Results for the year to 31 July 2022

The Fund is wholly reliant on donations from other trusts, foundations and members of the public to meet its running costs and fund the donations made by the Fund to The Courtauld. The results for the year are set out in the Statement of Financial Activities on page 9.

Total operating income for the year was £1,870,510 (2020-21: £2,771,923). This included £1,870,510 in donations including recoverable gift aid (2020-21: £2,771,923). The Fund incurred costs of £10,914 during the year in the form of audit fees and bank charges (2020-21 £7,177).

Taking into account these results, trustees have approved a grant to the Institute of £1,859,596 (2020-21: £2,764,746).

Monitoring Achievement

The Courtauld Institute of Art sets annual fundraising targets for Scholarships, Endowments and other revenue donations which in turn determine the targets for the Fund as the principal fundraising vehicle for the Institute. The results for the year to 31 July 2022 were consistent with plans.

Principal sources of funding

The Fund raises income through voluntary donations from individuals as well as from other Trusts and Foundations.

Grant Making Policy

The charity will make grants to The Courtauld Institute of Art in a manner consistent with the wishes of the original donor and the charity's purposes as outlined above. All funding is subject to review by the Board of Trustees.

Reserves policy

The Fund believes that it would be inappropriate to hold on to funds any longer than is absolutely necessary and has little need for permanent free reserves. The trustees aim to maintain a level of free reserves (defined as income that is not yet spent, committed or designated) in unrestricted funds of between £30,000 - £60,000 which is considered to be sufficient for its needs. However, at 31 July 2022 the Fund's free reserves stood at £500,000 due to the bequest of artwork valued at £450,000 received in the 2016/17 Financial Year and retained in the fund at year end.

PLANS FOR FUTURE PERIODS

The aim for the future of the Fund is to continue to support the objectives set out on page 2 of this report. It is the intention of the trustees that the Fund will achieve these objectives by facilitating the fundraising activities of the Institute to enable the Institute to focus on delivering its full range of programmes and activities to its students and to the public at large. Individual donations will be made to the Fund, and the Fund will then in turn make a single donation to the Institute on behalf of the individual donors.

The effects of the war in Ukraine, the cost of living crisis and the ongoing impact of Brexit on income generation remain uncertain. It is not possible to fully quantify the impact on the Fund.

Courtauld Connects sets out our plans to redevelop our home at Somerset House and reconstruct our business model to secure a sustainable future for The Courtauld; greatly improved accessibility and delivery of an Art for All model of engagement.

AUDITORS

KPMG LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Trustees and signed on their behalf



Professor Deborah Swallow
Chairman

Registered Office: Somerset House
Strand
London WC2R 0RN

THE COURTAULD INSTITUTE OF ART FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

5

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of the Courtauld Institute of Art Fund ("the charity") for the year ended 31 July 2022 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees, the Courtauld Institute of Art audit committee and the Courtauld Institute of Art's internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes of the parent.

- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet fundraising targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that donations are recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.
- Assessed donations recorded around the year end to determine whether there was sufficient certainty of receipt at the time they were recognised.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and discussed with the trustees the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of noncompliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and charities legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 5, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Fleur Nieboer
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square

London

E14 5GL

06 February 2023

THE COURTAULD INSTITUTE OF ART FUND
STATEMENT OF FINANCIAL ACTIVITIES
31 JULY 2022

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	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 July 2021 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Donations and Legacies:					
Donations (inc recoverable gift aid)		253,918	1,616,592	1,870,510	2,771,923
Other trading activities:					
Commercial Income		-	-	-	-
Total income and endowments		253,918	1,616,592	1,870,510	2,771,923
EXPENDITURE ON					
<i>Raising Funds:</i>					
Administration costs	7	(4,914)	-	(4,914)	(2,817)
<i>Charitable activities:</i>					
Academic and Student Support	6	-	(289,254)	(289,254)	(326,642)
Conservation funds	6	-	(117)	(117)	(10,155)
Gallery funds	6	-	(442,198)	(442,198)	(406,986)
Library	6	-	-	-	(88,541)
Courtauld Connects	6	-	(564,217)	(564,217)	(1,471,000)
Public Programmes	6	-	(168,696)	(168,696)	(131,111)
Membership	6	-	(5,810)	(5,810)	-
Research	6	-	(146,300)	(146,300)	(65,014)
General funds	7	(243,004)	-	(243,004)	(265,297)
Support Costs	3, 7	(6,000)	-	(6,000)	(4,360)
Total resources expended		(253,918)	(1,616,592)	(1,870,510)	(2,771,923)
NET MOVEMENT IN FUNDS IN THE YEAR					
FUND BALANCES BROUGHT FORWARD					
		500,000	-	500,000	500,000
TOTAL FUNDS CARRIED FORWARD		500,000	-	500,000	500,000

All incoming and outgoing resources derive from continuing operations. The charity has no gains or losses other than those recognised in this statement of financial activities. All of the charitable grants detailed above have been made to The Courtauld Institute of Art in accordance with the wishes of the donors.

The accompanying notes on pages 11 to 14 form an integral part of these financial statements.

THE COURTAULD INSTITUTE OF ART FUND
BALANCE SHEET
31 JULY 2022

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	Notes	2022		2021	
		£	£	£	£
NON-CURRENT ASSETS					
Heritage Asset	9	450,000	450,000	450,000	450,000
CURRENT ASSETS					
Debtors	4	74,726		67,380	
Cash and Cash Equivalents		<u>81,207</u>		<u>71,870</u>	
		155,933		139,250	
CREDITORS: amounts					
falling due within one year	5	<u>(105,933)</u>		<u>(89,250)</u>	
NET CURRENT ASSETS			<u>50,000</u>		<u>50,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES – NET ASSETS			<u>500,000</u>		<u>500,000</u>
FUNDS					
Income funds					
Restricted	6		0		0
Unrestricted	7		<u>500,000</u>		<u>500,000</u>
TOTAL FUNDS			<u>500,000</u>		<u>500,000</u>

These financial statements were approved by the Board of Trustees on and signed on their behalf



Professor Deborah Swallow
Chairman

The accompanying notes on pages 11 to 14 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019.

The Fund has taken advantage of the exemption in Financial Reporting Standard chapter 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate. The Fund receives donations, transfers them in the form of grants and would never grant more than it receives. The charity will have sufficient funds to meet its liabilities over the twelve-month period following the signing of the accounts.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

The Fund's activities, together with the factors likely to affect the future development, performance and financial position, are set out in the Trustees' Report on pages 1 to 4, along with the Fund's objectives, policies and processes for managing its exposure to financial risk.

(c) Incoming resources

Voluntary income including legacies, donations and recoverable gift aid is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The charity uses transparent and accountable processes to ensure that charitable funds are distributed effectively. Grants are made in compliance with the charity's grant making policy. Grants are recognised when specific and unconditional commitment to provide grant funding is given and this has been communicated directly to The Courtauld Institute of Art, giving rise to a constructive obligation.

Governance costs comprise the costs of running the charity, including the external audit fee and all costs to comply with statutory requirements and public accountability, if any.

(e) Financial Instruments

Financial Instruments are classified and accounted for according to the substance of contractual arrangements, as either financial assets, financial liabilities or equity instruments.

(f) Fund structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation (or the income generated by that donation) must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds for the purpose of supporting the work of the Courtauld Institute of Art.

(g) Taxation

The Courtauld Institute of Art Fund is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is not registered for Value Added Tax and as such is unable to recover any tax on its purchases. All non-recoverable VAT is included within the appropriate expenditure headings.

(h) Tangible Fixed Assets

Heritage assets valued at £450,000 are capitalised at the value on acquisition, where such a valuation is reasonably obtainable. The last valuation of the asset took place in 2017 and future valuations will then take place every ten years. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

2. LEGAL STATUS OF THE TRUST

The trust is a registered charity.

3. GOVERNANCE

	2022	2021
	£	£
Audit fees	6,000	4,360
	<u>6,000</u>	<u>4,360</u>

Included within Audit fees above are the following amounts receivable by the external auditor:
 -Statutory audit fee £5,000 (2021 £3,633)

The Fund had no employees during the year or prior year other than trustees. No trustees received any remuneration or expenses from the charity.

4. DEBTORS

	2022	2021
	£	£
Gift Aid recoverable	74,726	67,380
	<u>74,726</u>	<u>67,380</u>

5. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Amounts owed to the Courtauld Institute of Art	99,933	37,890
Accruals	6,000	51,360
	<u>105,933</u>	<u>89,250</u>

**THE COURTAULD INSTITUTE OF ART FUND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

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	Balance as at 1 August 2021	New Funds	Grants & Transfers	Administration Costs	Governance Costs	Balance as at 31 July 2022
	£	£	£	£	£	£
6. Restricted Funds						
Academic & Student support	-	289,254	(289,254)	-	-	-
Conservation Funds	-	117	(117)	-	-	-
Gallery Funds	-	442,198	(442,198)	-	-	-
Courtauld Connects	-	564,217	(564,217)	-	-	-
Membership	-	5,810	(5,810)	-	-	-
Public Programmes	-	168,696	(168,696)	-	-	-
Research	-	146,300	(146,300)	-	-	-
	-	1,616,592	(1,616,592)	-	-	-
7. Unrestricted Funds						
Gallery Funds	-	25,000	(25,000)	-	-	-
Heritage Asset	450,000	-	-	-	-	450,000
Annual Fund	50,000	228,518	(217,774)	(4,914)	(6,000)	49,830
General Funds	-	400	(230)	-	-	170
	500,000	253,918	(243,004)	(4,914)	(6,000)	500,000
	500,000	1,870,510	(1,859,596)	(4,914)	(6,000)	500,000

New Funds are stated inclusive of recoverable gift aid and bank interest where applicable. Funds are treated as restricted where the donor has specified a particular purpose for the use of the funds according to the category detailed in note 6 above. The Annual Fund detailed in note 7 represents funds given in response to the Annual Fund appeal where the donor has requested that their donation be applied wherever the need is greatest. Administration costs relate to bank and credit card charges connected to the processing of donations.

8. FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

9. FIXED ASSETS

	Heritage Assets £	Total £
Valuation		
As at 1 August 2021	450,000	450,000
As at 31 July 2022	450,000	450,000

10. CAPITAL COMMITMENTS

There were no capital commitments at the year-end (2021 NIL).

11. RELATED PARTY TRANSACTIONS

All the trustees are directors, current or former employees of the Courtauld Institute of Art (refer to note 13). No Trustee or person connected to a trustee received remuneration or other benefit as a result of their work for the Fund. Expenses incurred by the Charity for Trustees during the year totalled £Nil (2020-21: £Nil).

Professor Deborah Swallow made donations of £Nil (2020-21: £80,000).

All funds received on behalf of the Courtauld Institute of Art are disbursed to the Institute in accordance with the wishes of the original donor.

SCT Enterprises Ltd is a wholly owned trading subsidiary of the Courtauld Institute of Art. Professor Deborah Swallow and Dr Ernst Vegelin van Claerbergen were Directors of SCT Enterprises Ltd throughout the year. The Fund did not enter into any transaction of any kind with SCT Enterprises Ltd during the year.

12. CONTROLLING PARTY

The trustees consider that the charity is controlled by the Courtauld Institute of Art, which it considers to be its immediate and ultimate parent undertaking. The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of Charities Act 1993. Web site www.courtauld.ac.uk

The Courtauld Institute of Art, which is a higher education institution, prepares group financial statements. The charity is exempt from disclosing transactions with its group undertakings as it is wholly controlled.

13. STAFF COSTS

The Fund did not employ any staff during the year (2020-21: £Nil). All administrative and other work in connection with the Fund was carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute. On that basis the Institute took the decision not to recharge costs in connection with that work to the Fund.

THE COURTAULD INSTITUTE OF ART FUND

England & Wales - Charity number 288509

Accounts

THE COURTAULD INSTITUTE OF ART FUND
CHARITY REGISTRATION NO. 288509

Report and Financial Statements

For the year ended 31 July 2021

THE COURTAULD INSTITUTE OF ART FUND

Report and Financial Statements

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THE COURTAULD INSTITUTE OF ART FUND TRUSTEES' REPORT

1

The trustees are pleased to present their report and audited financial statements for the year ended 31 July 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name: The Courtauld Institute of Art Fund ('the Fund')
Charity Number: 288509
Principal Address: Somerset House, Strand, London, WC2R 0RN

TRUSTEES

The trustees who held office throughout the year and since year end are listed below.

Professor Deborah Swallow (Chairman)
Professor Antony Eastmond (resigned 10th December 2020)
Professor Alixe Bovey (appointed 10th December 2020)
Mr Robert Thorpe (resigned 20th August 2021)

PROFESSIONAL ADVISORS

Banker

Lloyds TSB, 22-24, Southampton St, London, WC2E 7JA
Royal Bank of Scotland, London Drummonds, 49 Charing Cross, London SW1A 2DX

Auditors

KPMG LLP, 15 Canada Square, London E14 5GL

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Courtauld Institute of Art Fund was established as a charity by a Deed of Trust dated 20 December 1983 and is registered as such with the Charity Commission.

Appointment of trustees

As set out in the Trust Deed, trustees are appointed by the existing trustees and confirmed in post at the annual general meeting (AGM).

Trustees' induction and training

The Fund is managed by a board of trustees who meet on an annual basis to agree a grant to the Courtauld Institute of Art ('the Institute') according to the wishes of donors to the Fund. All of the current trustees are current employees of the Institute and are experienced charity officials. As such no policy for the training of trustees currently exists beyond that in place for new trustees of the Institute itself. This will be reviewed as and when an independent trustee is appointed in the future.

Organisation

The board of trustees administers the charity. The board meets annually at its AGM and more frequently on an informal basis during the year to discuss issues as they arise. All of the current trustees are current employees of the Institute. The Fund has no direct staff, with all administrative and other work in connection with the Fund being carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute.

Risk Management

As part of the Courtauld Institute of Art group of companies, the risks faced by the Fund are considered by the Governing Board of the Institute. The trustees have a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The key risks faced by the Fund are:

- the failure to reach fundraising targets, leaving the fund unable to fully support the work of the institute; and
- the failure to properly record restrictions placed on donations by individual donors, resulting in funds being put to a purpose that does not match the wishes of the donor.

Related parties

The Fund was established in order to raise funds for the Courtauld Institute of Art, an exempt charity, and continues to be used for that purpose. The current trustees are all senior current employees of the Institute. As such the Fund considers itself to be a part of the Courtauld Institute of Art group.

SCT Enterprises Ltd is a wholly owned trading subsidiary of the Courtauld Institute of Art. Professor Deborah Swallow and Mr Robert Thorpe were Directors of SCT Enterprises Ltd throughout the year. The Fund did not enter into any transaction of any kind with SCT Enterprises Ltd during the year.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

Our objectives are set so as to reflect our aim of supporting the Courtauld Institute of Art, as noted above. In setting our objectives, our trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Under the terms of the Trust Deed, the main objectives of the Fund are as follows:

1. The advancement of public education in the history of art and architecture.
2. The care, conservation and restoration of works of art for the public benefit.
3. The accommodation and public display of works of art.
4. The increase of public knowledge and appreciation of art and architecture.
5. The advancement of such other charitable purposes as may from time to time be promoted by the Institute.

The principal method by which the Fund seeks to achieve these aims and provide public benefit is by raising funds to support the activities of the Courtauld Institute of Art, which in turn provides Higher Education courses and public conferences, lectures and symposia in the history of art & architecture and on the subject of art conservation; conserves and displays original works of art in its public gallery; and engages with other museums, galleries, higher education institutions, schools and government department to exchange knowledge and share experiences on the subject of art and architecture.

ACHIEVEMENTS AND PERFORMANCE

Over the past year, the Fund raised £2,771,923 for the purpose of supporting the work of the Courtauld Institute of Art and made a grant to the Institute of £2,764,746. This included a number of grants for the Courtauld Gallery in support of public education programmes and staff costs, and other grants in support of student scholarships, conservation work, the Institute's libraries, Courtauld Connects Project as well as unrestricted grants to be directed to those areas the Institute itself considers to be of greatest need.

The funds raised have enabled the Institute to meet its objectives by conserving and displaying damaged and fragile works of art that might otherwise be lost; engage with schools and members of the public through gallery tours, school visits and public lectures and provide scholarships to enable students that might otherwise be unable to attend to study at The Courtauld.

FINANCIAL REVIEW

Results for the year to 31 July 2021

The Fund is wholly reliant on donations from other trusts, foundations and members of the public to meet its running costs and fund the donations made by the Fund to The Courtauld. The results for the year are set out in the Statement of Financial Activities on page 8.

Total operating income for the year was £2,771,923 (2019-20: £6,111,271). This included £2,771,923 in donations including recoverable gift aid (2019-20: £6,110,716). The Fund incurred costs of £7,177 during the year in the form of audit fees and bank charges (2019-20 £7,157).

Taking into account these results, trustees have approved a grant to the Institute of £2,764,746 (2019-20: £6,104,114).

Monitoring Achievement

The Courtauld Institute of Art sets annual fundraising targets for Scholarships, Endowments and other revenue donations which in turn determine the targets for the Fund as the principal fundraising vehicle for the Institute. The results for the year to 31 July 2021 were consistent with plans.

Principal sources of funding

The Fund raises income through voluntary donations from individuals as well as from other Trusts and Foundations.

Grant Making Policy

The charity will make grants to The Courtauld Institute of Art in a manner consistent with the wishes of the original donor and the charity's purposes as outlined above. All funding is subject to review by the Board of Trustees.

Reserves policy

The Fund believes that it would be inappropriate to hold on to funds any longer than is absolutely necessary and has little need for permanent free reserves. The trustees aim to maintain a level of free reserves (defined as income that is not yet spent, committed or designated) in unrestricted funds of between £30,000 - £60,000 which is considered to be sufficient for its needs. However, at 31 July 2021 the Fund's free reserves stood at £500,000 due to the bequest of artwork valued at £450,000 received in the 2016/17 Financial Year and retained in the fund at year end.

PLANS FOR FUTURE PERIODS

The aim for the future of the Fund is to continue to support the objectives set out on page 2 of this report. It is the intention of the trustees that the Fund will achieve these objectives by facilitating the fundraising activities of the Institute to enable the Institute to focus on delivering its full range of programmes and activities to its students and to the public at large. Individual donations will be made to the Fund, and the Fund will then in turn make a single donation to the Institute on behalf of the individual donors.

The ongoing effects of the Covid-19 outbreak and the impact of Brexit on income generation remain uncertain. It is not possible to fully quantify the impact on the Fund.

Courtauld Connects sets out our plans to redevelop our home at Somerset House and reconstruct our business model to secure a sustainable future for The Courtauld; greatly improved accessibility and delivery of an Art for All model of engagement.

AUDITORS

KPMG LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Trustees and signed on their behalf



Professor Deborah Swallow
Chairman
Registered Office: Somerset House
Strand
London WC2R 0RN

THE COURTAULD INSTITUTE OF ART FUND

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

5

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the trust deed of the charity and charity law, the trustees are responsible for preparing a Trustees' Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Opinion

We have audited the financial statements of the Courtauld Institute of Art Fund ("the Charity") for the year ended 31 July 2021 which comprise the Statement of Financial Activities, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect*Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees, the Courtauld Institute of Art audit committee and the Courtauld Institute of Art's internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes of the parent.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet fundraising targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that donations are recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those posted to unusual accounts.
- Assessed donations recorded around the year end to determine whether there was sufficient certainty of receipt at the time they were recognised.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and discussed with the trustees the policies and procedures regarding compliance with laws and regulations.

As the Charity is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and charities legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection recognising the regulated nature of the Charity's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 5, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Fleur Nieboer

for and on behalf of KPMG LLP

Chartered Accountants

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

15 Canada Square, Canary Wharf, London, E14 5GL

17 December 2021

THE COURTAULD INSTITUTE OF ART FUND
STATEMENT OF FINANCIAL ACTIVITIES
31 JULY 2021

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	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Year ended 31 July 2020 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds:</i>					
Donations and Legacies:					
Donations (inc recoverable gift aid)		272,474	2,499,449	2,771,923	6,110,716
Other trading activities:					
Commercial Income		-	-	-	555
Total income and endowments		272,474	2,499,449	2,771,923	6,111,271
EXPENDITURE ON					
<i>Raising Funds:</i>					
Administration costs	7	(2,817)	-	(2,817)	(3,520)
<i>Charitable activities:</i>					
Academic and Student Support	6	-	(326,642)	(326,642)	(1,355,124)
Conservation funds	6	-	(10,155)	(10,155)	(12,684)
Gallery funds	6	-	(406,986)	(406,986)	(351,807)
Library	6	-	(88,541)	(88,541)	(120,000)
Courtauld Connects	6	-	(1,471,000)	(1,471,000)	(3,292,627)
Public Programmes	6	-	(131,111)	(131,111)	(177,839)
Research	6	-	(65,014)	(65,014)	(331,488)
General funds	7	(265,297)	-	(265,297)	(462,544)
Governance Costs	3, 7	(4,360)	-	(4,360)	(3,637)
Total resources expended		(272,474)	(2,499,449)	(2,771,923)	(6,111,271)
NET MOVEMENT IN FUNDS IN THE YEAR		-	-	-	-
FUND BALANCES BROUGHT FORWARD		500,000	-	500,000	500,000
TOTAL FUNDS CARRIED FORWARD		500,000	-	500,000	500,000

All incoming and outgoing resources derive from continuing operations. The charity has no gains or losses other than those recognised in this statement of financial activities. All of the charitable grants detailed above have been made to The Courtauld Institute of Art in accordance with the wishes of the donors.

The accompanying notes on pages 11 to 14 form an integral part of these financial statements.

THE COURTAULD INSTITUTE OF ART FUND
BALANCE SHEET
31 JULY 2021

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	Notes	2021	2020
		£	£
NON CURRENT ASSETS			
Heritage Asset	9	450,000	450,000
CURRENT ASSETS			
Debtors	4	67,380	73,150
Cash and Cash Equivalents		71,870	60,226
		<u>139,250</u>	<u>133,376</u>
CREDITORS: amounts falling due within one year	5	<u>(89,250)</u>	<u>(83,376)</u>
NET CURRENT ASSETS		<u>50,000</u>	<u>50,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES – NET ASSETS		<u>500,000</u>	<u>500,000</u>
FUNDS			
Income funds			
Restricted	6	-	-
Unrestricted	7	500,000	500,000
TOTAL FUNDS		<u>500,000</u>	<u>500,000</u>

These financial statements were approved by the Board of Trustees on and signed on their behalf



Professor Deborah Swallow
Chairman

The accompanying notes on pages 11 to 14 form an integral part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) issued in October 2019.

The Fund has taken advantage of the exemption in Financial Reporting Standard chapter 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Going Concern

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate. The Fund receives donations, transfers them in the form of grants and would never grant more than it receives hence there is no material impact from the changes arising from the Covid-19 pandemic. The charity will have sufficient funds to meet its liabilities over the twelve-month period following the signing of the accounts.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

The Fund's activities, together with the factors likely to affect the future development, performance and financial position, are set out in the Trustees' Report on pages 1 to 4, along with the Fund's objectives, policies and processes for managing its exposure to financial risk.

(c) Incoming resources

Voluntary income including legacies, donations and recoverable gift aid is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

(d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

The charity uses transparent and accountable processes to ensure that charitable funds are distributed effectively. Grants are made in compliance with the charity's grant making policy. Grants are recognised when specific and unconditional commitment to provide grant funding is given and this has been communicated directly to The Courtauld Institute of Art, giving rise to a constructive obligation.

Governance costs comprise the costs of running the charity, including the external audit fee and all costs to comply with statutory requirements and public accountability, if any.

(e) Financial Instruments

Financial Instruments are classified and accounted for according to the substance of contractual arrangements, as either financial assets, financial liabilities or equity instruments.

(f) Fund structure

The charity has a number of restricted income funds to account for situations where a donor requires that a donation (or the income generated by that donation) must be spent on a particular purpose or where funds have been raised for a specific purpose.

All other funds are unrestricted income funds. The trustees intend to use part of the unrestricted funds for the purpose of supporting the work of the Courtauld Institute of Art.

(g) The Friends of the Courtauld Institute

The Friends of the Courtauld Institute charity ceased to trade with effect from 1 August 2020 and all activities were absorbed into the Courtauld Institute of Art.

(h) Taxation

The Courtauld Institute of Art Fund is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The charity is not registered for Value Added Tax and as such is unable to recover any tax on its purchases. All non-recoverable VAT is included within the appropriate expenditure headings.

(i) Tangible Fixed Assets

Heritage assets valued at £450,000 are capitalised at the value on acquisition, where such a valuation is reasonably obtainable. The last valuation of the asset took place in 2017 and future valuations will then take place every ten years. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material.

2. LEGAL STATUS OF THE TRUST

The trust is a registered charity.

3. GOVERNANCE

	2021	2020
	£	£
Audit fees	4,360	4,133
	<u>4,360</u>	<u>4,133</u>

Included within Audit fees above are the following amounts receivable by the external auditor:

-Statutory audit fee £3,633 (2020 £4,133)

The Fund had no employees during the year or prior year other than trustees. No trustees received any remuneration or expenses from the charity.

4. DEBTORS

	2021	2020
	£	£
Gift Aid recoverable	67,380	69,094
Accrued Revenue	-	4,056
	<u>67,380</u>	<u>73,150</u>

5. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Amounts owed to the Courtauld Institute of Art	37,890	65,047
Accruals	51,360	18,329
	<u>89,250</u>	<u>83,376</u>

THE COURTAULD INSTITUTE OF ART FUND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2021

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	Balance as at 1 August 2020	New Funds	Grants & Transfers	Administration Costs	Governance Costs	Balance as at 31 July 2021
	£	£	£	£	£	£
6. Restricted Funds						
Academic & Student support	-	326,642	(326,642)	-	-	-
Conservation Funds	-	10,155	(10,155)	-	-	-
Gallery Funds	-	406,986	(406,986)	-	-	-
Library	-	88,541	(88,541)	-	-	-
Courtauld Connects	-	1,471,000	(1,471,000)	-	-	-
Public Programmes	-	131,111	(131,111)	-	-	-
Research	-	65,014	(65,014)	-	-	-
	-	2,499,449	(2,499,449)	-	-	-
7. Unrestricted Funds						
Heritage Asset	450,000	-	-	-	-	450,000
Annual Fund	50,000	256,649	(249,472)	(2,817)	(4,360)	50,000
General Funds	-	15,825	(15,825)	-	-	-
	500,000	272,474	(265,297)	(2,817)	(4,360)	500,000
	500,000	2,771,923	(2,764,746)	(2,817)	(4,360)	500,000

New Funds are stated inclusive of recoverable gift aid and bank interest where applicable. Funds are treated as restricted where the donor has specified a particular purpose for the use of the funds according to the category detailed in note 6 above. The Annual Fund detailed in note 7 represents funds given in response to the Annual Fund appeal where the donor has requested that their donation be applied wherever the need is greatest. Administration costs relate to bank and credit card charges connected to the processing of donations.

8. FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

9. FIXED ASSETS

	Heritage Assets £	Total £
Valuation		
As at 1 August 2020	450,000	450,000
As at 31 July 2021	450,000	450,000

10. CAPITAL COMMITMENTS

There were no capital commitments at the year-end (2020 NIL).

11. CHARITABLE STATUS AND TAXATION

The Fund is a charity registered under the Charities Act 2011 no. 288509. As such the charity is exempt from tax on income and gains falling within s505 of the Income and Corporation Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

12. RELATED PARTY TRANSACTIONS

All the trustees are directors, current or former employees of the Courtauld Institute of Art (refer to note 15). No Trustee or person connected to a trustee received remuneration or other benefit as a result of their work for the Fund. Expenses incurred by the Charity for Trustees during the year totalled £Nil (2019-20: £Nil).

Professor Deborah Swallow made donations of £80,100 (2019-20: £19,410).

All funds received on behalf of the Courtauld Institute of Art are disbursed to the Institute in accordance with the wishes of the original donor.

SCT Enterprises Ltd is a wholly owned trading subsidiary of the Courtauld Institute of Art. Professor Deborah Swallow and Mr Robert Thorpe were Directors of SCT Enterprises Ltd throughout the year. Robert Thorpe resigned as a Director on 20 August 2021. The Fund did not enter into any transaction of any kind with SCT Enterprises Ltd during the year.

13. AGENCY ARRANGEMENT

In addition to donations receivable on behalf of The Courtauld Institute of Art, the Fund also receives donations on behalf of The Friends of the Courtauld Institute, a separate charity that also raises funds on behalf the Institute. This charity ceased to trade with effect from 1 August 2020 so there is no longer an agency agreement in place.

14. CONTROLLING PARTY

The trustees consider that the charity is controlled by the Courtauld Institute of Art, which it considers to be its immediate and ultimate parent undertaking. The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of Charities Act 1993. Web site www.courtauld.ac.uk

The Courtauld Institute of Art, which is a higher education institution, prepares group financial statements. The charity is exempt from disclosing transactions with its group undertakings as it is wholly controlled.

15. STAFF COSTS

The Fund did not employ any staff during the year (2019-20: £Nil). All administrative and other work in connection with the Fund was carried out by employees of the Courtauld Institute of Art in the normal course of their employment with the Institute and at no additional cost to the Institute. On that basis the Institute took the decision not to recharge costs in connection with that work to the Fund.