

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

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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

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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.