

The Warburg Charitable Trust

(A company limited by guarantee)

The Trustees' Report and Financial Statements For the year ended 31 October 2019

**Company no.
03645747 (England & Wales)**

Charity no. 1110097

Financial Statements for Year Ended 31 October 2019

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The Trustees Report-Statutory Information

Charity Name: The Warburg Charitable Trust

Charity no: 1110097

Company no: 03645747

Principal & Registered

Office: The Warburg Institute, London, WC1H 0AB

Directors and Trustees:

C.A.	Rossbach	
M.L.	Mahlke	(From 1st July 2019)
E.K.	Welch	
N.	Warburg	(From 1 st April 2019)
E.K.	Stephen	(Resigned 4 th December 2018)
W.H.	Sherman	
R.W.	Rylance	
J.T.	Martineau	(Resigned 4 th February 2019)
D.	Peltz	(From 30 th April 2019)
L.D.G	Grossman	
B.G.E	Finucane	
S. G.	Roden	(From 4 th February 2020)

Company Secretary/Treasurer: Folake Ogundele

Independent Examiner: Stuart Edwards & Co
Chartered Accountants
Kemp House
152-160 City Road
LONDON
EC1V 2NX

Bankers: National Westminster Bank

The Trustees' Report for the period from 1 November 2018 to 31 October 2019

The Trustees of The Warburg Charitable Trust, "the Trust" are pleased to present their Annual Report and Financial Statement for the year ended 31 October 2019.

The Trustees, who are also directors under company law, confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102

Structure, Governance and Management

Governance and Management

The Trust is a charitable company limited by guarantee, incorporated on 7 October 1998 and registered as a charity on 20 June 2005.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company, and is governed under those Articles. The Trustees are elected for three years at the Annual General Meeting (AGM).

Objectives and Principle Activities

The charity's purposes, as set out in the objects contained in the company's Memorandum of Association, are

The advancement of education in the history of the classical tradition of the arts and sciences, in particular but not by way of limitation by supporting the activities of the Warburg Institute, by such exclusively charitable means as the trustees shall from time to time determine.

.....

We review our aims, objectives and activities at trustee meetings. The review looks at achievements and plans future outcomes. We produce reports on key achievements and the benefit that they have brought to those groups of people that we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes.

In the year ended 31 October 2019, the Trust awarded £16,020 in student bursaries.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Recruitment and appointment of the Trustees

The directors of the company are also charity Trustees for the purposes of charity law, and under the company's Articles.

All members of the Board of Trustees give their time voluntarily and receive no benefit from the charity. Any expenses reimbursed to trustees by the charity are set out in a note to the accounts.

Organisational Structure

The Trust has a Board of Trustees of up to 11 members, who meet when required during the year and are responsible for the strategic direction and policy of the charity.

Risk Management

The Trustees actively review the major risks facing the charity on a regular basis. They have established systems and procedures to mitigate those risks identified and implemented procedures designed to minimise any potential impact on the charity should those risks materialise.

The trustees review the organisation's financial situation and the resources available to the organisation

Procedures are in place to ensure the health and safety of staff and visitors to the organisation.

Financial Review

Investment Policy

The policy of the Trustees is to place surplus funds into an interest bearing account whilst maintaining sufficient funds in a current bank account to cover immediate liabilities.

Reserves Policy

The Trustees has considered its reserves policy in light of the main risks to the organisation. The Trustees recognises that the organisation needs to have sufficient reserves to allow it to cover known liabilities and contingencies, absorb setbacks and take advantage of change and opportunity

Small Company Exemptions

This report has been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and with the Charities Statement of Recommended Practice (FRS102).

Approval

This report was approved by the trustees on and signed on their behalf by:

.....
Professor Bill Sherman, Director and Trustee

FINANCIAL STATEMENTS REPORT

The Warburg Charitable Trust has taken great strides to increase our activity, visibility and support for the Institute this year at a crucial time in its history. Our Trustees have a diverse variety of skills and backgrounds and share a unifying passion for the Warburg Institute and its continued importance as a place for taking hold of cultural memory and giving it agency.

As a Trust, we have placed significant focus on helping to increase the profile and raise funds for the Warburg Institute in the UK and abroad. The Warburg Renaissance is the key strategic initiative for the Institute's future. Rebuilding the institute and creating new space in its courtyard represents a historic opportunity to write the next chapter of the Warburg. The Trustees have played an active role in fundraising efforts for the project and we are grateful to our donors, including a number of major cultural foundations in the UK, Germany and United States, for the £2.3m raised for the Warburg Renaissance at financial year-end.

Similarly, we have helped to organize and support a series of global fundraising events hosted by the Institute in 2019. For example, at the end of March artist and author Edmund de Waal gave a talk on *Libraries and Exile* at the Institute. The talk was followed in early May by an exclusive event for supporters at the Venice Biennale to see de Waal's exhibition *psalm*. Later that month, in the US, we were hosted by the American Friends of the Warburg Institute in New York for a talk by scholar and author Stephen Greenblatt to launch the Warburg Renaissance to our US supporters.

Looking ahead to 2020 and its great challenges during the Covid-19 pandemic, our hope is to build on this momentum to continue supporting the Warburg Institute and helping it to achieve its strategic aims. We will continue to increase the profile of the Warburg Institute by supporting many exciting initiatives, including the historic exhibitions of Aby Warburg's *Bilderatlas--Mnemosyne* and its related works in Berlin and the publication of the first facsimile edition of the *Bilderatlas* in monumental size, as well as raising funds for the Warburg Renaissance to reach the £5m fundraising target.

We are grateful to our many friends, alumni and donors for their support and hope for a healthy and successful year ahead.

Christopher Rossbach, Chair

INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the company for the year ended 31st October 2019 which are set out on pages 6 to 11.

Responsibilities and basis of report.

As the charity trustees of the company (who are also the directors of the company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Stuart Edwards

**Member of Institute of
Chartered Accountants
(England & Wales)
Kemp House
152-60 CityRoad
LONDON
EC1V 2NX**

.....Date

**Statement of Financial Activities
& Income and Expenditure Account
For the Year Ended 31st October 2019**

					<u>2018</u>		<u>2018</u>
	<u>Notes</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>
		<u>Funds</u>	<u>Funds</u>		<u>Funds</u>	<u>Funds</u>	
		£	£	£	£	£	£
Income and endowments from:							
Charity Activities	3	26,905	160	27,065	68,469	7,912	76,381
Investments			20	20	-	6	6
TOTAL INCOME	3	26,905	180	27,085	68,469	7,918	76,387
		£	£	£	£	£	£
Expenditure on :							
<i>Raising Funds</i>				-			-
<i>Charitable Activities</i>	4	16,020	32,021	48,041			-
<i>Other :Governance Costs</i>		-	450	450		450	450
TOTAL EXPENDITURE	4	16,020	32,471	48,491	-	450	450
Net Income/Expenditure for the year	9	10,885	(32,291)	(21,406)	68,469	7,468	75,937
Net Movement in funds							
Total Fund balances brought forward	9	68,469	113,406	181,875	-	105,938	105,938
Total Fund balances carried forward	9	79,354	81,115	160,469	68,469	113,406	181,875

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

All income and expenditure derive from continuing activities.

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

Balance Sheet
As at 31st October 2019

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
		£	£
FIXED ASSETS			
Tangible assets		-	-
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors	7	-	-
Cash at bank & in hand		160,919	185,025
		<hr/>	<hr/>
		160,919	185,025
		<hr/>	<hr/>
LIABILITIES			
Creditors : Amounts falling due within one year	8	450	3,150
		<hr/>	<hr/>
		450	3,150
		<hr/>	<hr/>
NET CURRENT ASSETS		160,469	181,875
		<hr/>	<hr/>
NET ASSETS		160,469	181,875
		<hr/>	<hr/>
		£	£
FUNDS OF THE CHARITY	9		
Unrestricted Funds		81,115	113,406
Restricted Funds		79,354	68,469
		<hr/>	<hr/>
TOTAL CHARITY FUNDS		160,469	181,875
		<hr/>	<hr/>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006, relating to small companies, and no members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime.

The accounts were approved by the trustees on:

.....Date

.....Director (Professor Bill Sherman)

The notes on pages 8 to 11 form part of these financial statements.

Company Registration Number: 03645747

Charity Registration Number: 1110097

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2019**

1. Accounting Policies

- a) The accounts are prepared in accordance with the charity's memorandum and articles of association, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS102.

The accounts are prepared in sterling, which is the functional currency of the charity. The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

b) Incoming Resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised on receipt.

c) Resources expended

The expenses classified as 'Charitable Activities' are those directly attributable to the general objects of the charity. 'Raising funds' are those expenses incurred in seeking funding for the charity. 'Governance costs' comprise all costs incurred in governing the charity.

d) Tangible fixed assets

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

Fixed assets with a useful life greater than one year and a purchase price exceeding £500 are capitalised, and depreciated over its expected useful life, usually 4 years.

e) Charitable funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with any other costs agreed by the donor.

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2019**

1. Accounting Policies (Continued)

f) Resources Expended:

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

Costs relating to a particular activity are allocated directly. Other costs are allocated on an appropriate basis such as staff time or estimated usage.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

h) Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. Critical Accounting Estimates and Judgements

In the application of the charity's accounting policies the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

**Notes Forming Part of the Financial Statements
For the Year Ended 31st October 2019**

Note	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total</u>	2018	2018	2018
	<u>Funds</u>	<u>Funds</u>		Restricted Funds	Unrestricted Funds	Total
	£	£	£	£	£	£
3. Voluntary Income						
Donations & Grants						
Sundry Donations						
American Friends of the Warburg:						
Campaign	19,535		19,535			
Studentships	7,370		7,370	25,000		25,000
Marina Bucher-Peltzer (Gombrich Fellowship)				43,489		43,489
Sundry Donation		160	160		7,912	7,912
	26,905	160	27,065	68,469	7,912	76,381
4. Expenditure						
	<u>Restricted Funds</u>	<u>Unrestricted Funds</u>	<u>Total</u>	2018 Restricted Funds	2018 Unrestricted Funds	2018 Total
	£	£	£	£	£	£
Raising Funds:						
Fundraising Consultancy Fee		21,858	21,858			-
Fundraising Support		10,163	10,163			
Charity Activities:						
Studentships	16,020		16,020			-
Other:						
Independent Examiners Fee		450	450		450	450
	16,020	32,471	48,491	-	450	450

5. Trustee and Related Party Transactions

No directors/trustees or any person connected with them received remuneration in the year in respect of their services as directors/trustees. (2018 £Nil)

No expenses (2018 £Nil) were reimbursed to any (2018 Nil) director/trustee

During the year, no directors/trustees, or any person connected to them or related to the charity had any personal interest in any contract or transaction. (2018 None)

There were no other related party transactions during the year.

6. Taxation

The charitable company is exempt from corporation tax on its' charitable activities.

**Notes Forming Part of the Financial
Statements For the Year Ended
31st October 2019**

7. Financial Instruments

	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	-	-
 Carrying amount of financial liabilities	 £	 £
Measured at amortised cost	450	3,150
 8. CREDITORS : Amounts falling due within one year:		
Other Creditors & Accrued Income	£ 450	£ 3,150
	<u>450</u>	<u>3,150</u>

9. MOVEMENT IN TOTAL FUNDS

	At 1 st Nov. 2018	Incoming Resources	Outgoing Resources	At 31 Oct. 2019
Restricted Funds:				
American Friends of the Warburg Institute	25,000	26,905	16,020	35,885
Marina Bucher-Peltzer	43,469	-	-	43,469
Total Restricted Funds	<u>68,469</u>	<u>26,905</u>	<u>16,020</u>	<u>79,354</u>
Unrestricted Funds:				
General Funds	-	-	-	-
	113,406	180	32,471	81,115
Total Funds	<u>181,875</u>	<u>27,085</u>	<u>48,491</u>	<u>160,469</u>

Notes on Restricted Funds:

The purpose of the American Friends fund is the award of tuition fee bursaries to American MPhil/PhD students.

The purpose of the Marina Bucher-Peltzer is support a short-term junior research fellowship based at the Warburg Institute in memory of Ernst Gombrich, preferably in the field of eastern culture but this should not be a prerequisite.