

REGISTERED COMPANY NUMBER: 02413547 (England and Wales)
REGISTERED CHARITY NUMBER: 802109

**Report of the Trustees and
Financial Statements for the Year Ended 31 July 2022
for
THE SAMUEL COURTAULD TRUST**

THE SAMUEL COURTAULD TRUST

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for the Year Ended 31 July 2022

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Trust are:

a) to advance, in conjunction with the Courtauld Institute of Art and the University of London or otherwise, public education and interest in the history of art and archaeology, criticism of art and archaeology and conservation of works of art;

b) to provide for the perpetual preservation and exhibition to the public of the works of art vested in the charity.

The Trust has stewardship of a number of significant collections. All the works of art vested in the Trust have been acquired over a number of years. They have not been valued in these financial statements and the directors feel unable to value the collections due to their unique nature.

The strategies employed to assist the Trust to meet its objectives included the following:

a) The collections are made available to the Courtauld Institute of Art for display in the Courtauld Gallery at Somerset House. This arrangement is regulated by a Memorandum of Understanding with the Institute. The collections have been administered as normal during the year.

b) Temporary loans from the collections to other museums and galleries, both national and overseas, for public exhibition have continued to be made subject to Trustees' direct approval or to endorsement of action taken by the Chairman under lending policies agreed by Trustees and in appropriate cases subject to the restrictions in the amended scheme relating to the Seilern bequest. Loans made in each period are listed in the Minutes of meetings of the Trustees.

c) The Trustees constantly review their stewardship of the collections of works of art and are bound in their performance by the terms of the bequests made to the Trust.

d) The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The Trustees consider how planned activities will contribute to the aims that have been set.

e) In particular the Trustees aim to stimulate public awareness of works of art, and of learning about such works, their history, their social relevance and the forces that influenced them both by displaying their own permanent collections and by loans to exhibitions of the highest scholastic standards, both in the Courtauld's own gallery and in other museums and galleries in this country and abroad.

f) The Trustees consider that the terms have been adhered to during the year under review.

OBJECTIVES AND ACTIVITIES

Significant activities

The Gallery

The Courtauld Gallery plays a central role in delivery of the Trust's objectives, through its stewardship of the collection, its programme of exhibitions and displays, its management of loans and its educational work.

The Reopening of the Gallery

Following the completion of its ambitious three-year capital project, the Gallery re-opened to the public on 19 November 2021. The collection of the Trust has now been completely redisplayed and reinterpreted. Highlights include the creation of a new Medieval and Early Renaissance room, the elegant new displays in the refurbished Fine Rooms, and the presentation of the Impressionist collection in the magnificently restored Great Room. New lighting, display systems and showcases and a highly effective curatorial strategy has helped ensure that the collection looks better than ever before and is able to engage and inspire a growing audience. An attractive new highlights guide for the collection was prepared for the reopening, and shortly thereafter a new 360-degree online walk-through tour was produced. The response to the opening from the media was widespread and exceptionally positive, driving remarkable attendance. A record 257,852 tickets were sold for the period from 19 November to 31 July 2022.

Exhibitions and Partnerships

The reopening of the Gallery was accompanied by a rich series of new displays and exhibitions. *Pen to Brush: British Drawings and Watercolours* was shown in the Butler Drawings Gallery (19 Nov 2021 – 27 Feb 2022) and *Kurdistan in the 1940s: Photographs by Anthony Kersting* (19 Nov 2021 – 12 Jun 2022) in the newly created Project Space. The new Denise Coates Exhibition Galleries hosted *Modern Drawings: The Karshan Gift* (19 Nov 2021 – 9 Jan 2022), which included a series of important new gifts to the collection.

In February 2022 the Gallery opened its first major loan exhibition following the reopening. *Van Gogh. Self-Portraits* (3 Feb – 9 May 2022) met with universal critical acclaim and saw sell-out attendance. This was followed by a second outstanding exhibition: *Edvard Munch: Masterpieces from Bergen* (opened 27 May). The success of these exhibitions helped relaunch the Gallery's exhibition programme at the highest level of quality and impact. Meanwhile in the Drawings Gallery, *The Art of Experiment: Parmigianino at The Courtauld* (5 Mar – 5 Jun 2022) was a successful collaboration with the faculty and students. It was followed in June by *Traces: Renaissance Drawings for Flemish Prints*. In the Project Space, *Courtauld Connections: Work from our National Partners* celebrated the Courtauld National programme.

Courtauld National

Bloomsbury: Works from The Courtauld and Ulster Museum (from 17 June 2022) was the final loan-based Courtauld National project. The programme has helped to create a national role for the Trust's collection. It has successfully delivered 12 loan exhibitions with six different partners spread across the UK, reaching some 250,000 people through partner galleries and over 10,000 with the resulting digital content, as well as 14 schools.

OBJECTIVES AND ACTIVITIES

Stewardship

Conservation and Collection Care

The Gallery was awarded Full Accreditation under Arts Council England's scheme. This covered all aspects of how the Gallery is run, how it manages the collection and how it engages with its users.

The collection of 33,000 works on paper was safely returned to site in March 2022 and housed in the dedicated store. The Prints and Drawings Study Room is fully operational and once again welcoming users. Research on the collection of works on paper is now supported by a new technical examination space adjacent to the Study Room. In April the Gallery completed a reorganisation of the collections stored off-site. These are maintained at a specialist facility within easy reach of the Gallery.

A number of works from the paintings collection and the decorative arts collection were conserved prior to the reopening. These included Botticelli's *Holy Trinity with Saints*, which is the magnificent centrepiece of the Italian Renaissance gallery. Conservation work in the drawings collection has continued, including the programme of remounting. Final fit-out work is underway on the new Paper Conservation Studio.

Research and Cataloguing

A complete catalogue of the Trust's collection of works by the Renaissance artist Parmigianino was published and features innovative new technical research. Work is well-advanced on a scholarly catalogue of the Italian maiolica collection. Cataloguing of the drawings collection has continued apace and will be made available online. The Gallery received a generous grant from the Getty Foundation for collaborative research on the important recently acquired manuscript by Paul Gauguin, *Avant et après*.

Public Programmes

The department has continued to deliver an impressive programme of educational activity, including leading a strand of the Courtauld National programme. The creation of a new Learning Centre on site has expanded its capacity to work with groups in conjunction with visits to the Gallery.

Acquisitions

Deanna Petherbridge (b.1939), *Mary Mandala*, pen and ink on paper, 1974. Valuation: £8,000.

Gift of the artist

Deanna Petherbridge (b.1939), *Bamboo Ionic (Goa)*, pen and ink and wash on paper, 2014. Valuation: £10,000

Gift of the artist

Eliza M Gore (1754- 1802), *Italian Landscape*, gouache on paper, 1774. Valuation: £2,400

Gift of the W.W. Spooner Charitable Trust

Thomas Theodosius Forrest (1728 - 1784), *Windsor Castle from the River*, watercolour, undated. Valuation: £1,500

Gift of the W.W. Spooner Charitable Trust

Edmond Hédouin (1820 - 1899) after Thomas Couture (1815 - 1879), *L'orgie Romaine (Romains de la decadence)*, etching, c.1852-8. Valuation: £100

Gift of Donato Esposito

OBJECTIVES AND ACTIVITIES

Célestin Nanteuil (1813 - 1873), after Henri-Charles-Antoine Baron, L'enfance de Ribéra, for 'L'Artiste,' lithograph, 1841. Valuation: £100

Gift of Donato Esposito

Theodore Roussel (1847 - 1926), View of East Cliff, Hastings, watercolour drawing, pre-1900. Valuation £1,000

Gift of Donato Esposito

Spoliation Claims

Trustees will continue to consider with care any spoliation claims they might receive. They will take action, including reference to the Spoliation Advisory Panel, as and when necessary. The Courtauld continues to proactively research, record and publish the provenance of works of art in the Trust's collection.

Loans

The Trust lent widely from its collection to exhibitions and displays in museums and galleries nationally and internationally. These loans are listed below.

Loans from the collection 1 August 2021 to 31 July 2022

1 May 2021 - 30 April 2023

Goldsmith's Hall, London

Long-term loan

Jan Woutersz, Woman weighing gold (P.1947.LF.488)

24 Sept 2021 - 9 Jan 2022

Holburne Museum, Bath

Rosetti's Portraits

Dante Gabriel Rosetti, *Elizabeth Siddal seated at an easel*, painting (D.1952.RW.3065).

8 Oct 2021 - 9 Jan 2022

Charlottenberg Palace, Berlin

Antoine Watteau. Art - Market – Crafts

Jean-Antoine Watteau, Sheet of Studies after Old Masters (D.1978.PG.224)

30 Oct 2021 - 13 Feb 2022

Royal Academy of Arts, London

John Constable: The Late Work

John Constable, Landscape with Pollard Willow (D.1952.RW.4011)

1 Nov 2021– 31 Oct 2024

Victoria & Albert Museum, London

Long term loan to Medieval and Renaissance Galleries

Master of Baroncelli Portraits, Saint Catherine of Bologna with three donors (P.1947.LF.249)

10 Nov 2021 – 24 Jan 2022

Getty Villa, Los Angeles

Rubens: Picturing Antiquity

Peter Paul Rubens, Head of the Farnese Hercules (recto only) (D.1978.PG.53)

THE SAMUEL COURTAULD TRUST

Report of the Trustees
for the Year Ended 31 July 2022

OBJECTIVES AND ACTIVITIES

12 Nov 2021 – 27 Feb 2022

Barber Institute of Fine Arts, Birmingham

Miss Clara and the Celebrity Beast in Art 1500 – 1860

Johann Elias Ridinger, Rhinoceros, resting on its side (D.1952.RW.2164)

20 Nov 2021 - 27 Feb 2022

National Gallery, London

Durer's Journey's: Travels of a Renaissance Artist

Albrecht Durer, Emperors Charlemagne and Sigismund (D.1978.PG.253)

10 Dec 2021 - 6 March 2022

Kunsthaus Zurich

Baroque Brilliance. The draughtsmanship of Giovanni Benedetto Castiglione

Giovanni Benedetto Castiglione, The Blind leading the blind (D.1952.RW.3845);

Giovanni Benedetto Castiglione, The Preaching of Saint John the Baptist (D.1952.RW.3739)

28 Jan – 24 April 2022

Leamington Spa Art Gallery and Museum

Women and Flowers

Mary Moser, Bouquet of Flowers (D.1952.RW.4446)

3 March – 19 June 2022

Barbican Art Gallery, London

Postwar Modern: New Art in Britain 1945-65

Frank Helmuth Auerbach, Rebuilding the Empire Cinema, Leicester Square (P.2015.XX.1);

Prunella Clough, Bypass I (P.1984.AH.66)

9 April – 2 Oct 2022

Scottish National Gallery of Modern Art, Edinburgh

Barbara Hepworth

Barbara Hepworth, Single Form (LS.2010.XX.1)

25 April - 18 Sept 2022

Tate Britain, London

Walter Sickert

Walter Sickert, Sweet Violets - White and Blue Violets in a Patterned Bowl (P.1982.LB.399);

Walter Sickert, Queen's Road Station, Bayswater (P.1935.RF.405)

4 May - 4 Sept 2022

Dulwich Picture Gallery, London

Woman in the Window

Edgar Germain Hilaire Degas, Woman at a Window (P.1932.SC.88)

OBJECTIVES AND ACTIVITIES

14 May – 23 October 2022

Pallant House Gallery, Chichester

Glyn Philpot, Flesh and Spirit

Glyn Philpot, Composition study for Penelope, (D.1962.GC.386)

Glyn Philpot, Composition study for 'Penelope' (D.1962.GC.195)

Glyn Philpot, Male nude, back-view (D.1962.GC.155)

Glyn Philpot, Study for 'Apres-Midi Tunisien' (D.1962.GC.16)

Glyn Philpot, Studies for 'Apres-Midi Tunisien' D.1962.GC.119.1

Glyn Philpot, Sketch D.1962.GC.119.2

Glyn Philpot, Study for 'Apres-Midi Tunisien' (D.1962.GC.112.1)

Glyn Philpot, Study for 'Apres-Midi Tunisien' (D.1962.GC.112.2)

Glyn Philpot, Composition study (D.1962.GC.19)

Glyn Philpot, Figure studies (D.1962.GC.125)

Glyn Philpot, Male head in profile (D.1962.GC.317)

Glyn Philpot, Male head and torso (D.1962.GC.309)

Glyn Philpot, Male head (D.1962.GC.206)

15 May- 5 Sept 2022

Art Institute of Chicago

Paul Cezanne

Paul Cezanne, Montagne Sainte-Victoire with Large Pine (P.1934.SC.55)

1 June - 18 Sept 2022

Hugh Lane Art Gallery, Dublin

Re-Discover: Eva Gonzales (working title)

Edouard Manet, Eva Gonzales (G.1934.SC.190.27)

17 June – 16 October 2022

Ulster Museum, Belfast

Courtauld National Programme

Duncan Grant, Ka Cox (P.1935.RF.183);

Vanessa Bell, Lilies and Iris (P.1935.RF.25);

Roger Fry, View of Menton (P.1958.PD.145);

Duncan Grant, Interior (D.1958.PD.82);

Duncan Grant, Tray design (D.1958.PD.50);

Roald Kristian, Design for lampshades (D.1958.PD.52 and 53);

Omega Workshop, bound volume of woodcuts by various artists (B.1958.PD.3)

2 July - 11 Sept 2022

Royal West of England Academy, Bristol

Earth: Digging Deep in British Art 1715 – 2022

William Henry Hunt, The Head Gardener (D.2011.XX.2)

John Sell Cotman, View of Domfront (D.1967.WS.22)

16 July 2022 – 13 Nov 2022

The Lightbox, Woking

Canaletto: Pageant and Panorama

Giovanni Antonio Canaletto, Portico with Lantern (G.1933.HO.1.10)

Plus archival material

*The dates given relate to the period that the works were installed at the venue and do not reflect temporary closures related to Covid-19.

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees have complied with the duty in s.2 of the Charities Act 2011 in having due regard to public benefit guidance published by the Charity Commission.

Other aspects of the benefit of the Trust to the public are explained throughout this report.

FINANCIAL REVIEW

Financial review

Income which in the current year represents only investment income has remained relatively consistent, whilst expenditure was as forecast.

This has enabled a maintenance grant of £75,000 to be made to the Courtauld Institute of Art in respect of the financial year ended 31st July 2022.

Investment policy and performance

Under the Memorandum and Articles of Association, the Trust has the power to make any investment which the Trustees see fit. The charity's listed investments are currently managed by Cazenove Capital Management Limited, who report their performance quarterly. The Investment Objective is to maximise total return whilst adopting a medium risk policy.

At the end of the third quarter 2022 the Trust was invested as follows: UK and International equities 60%, Multi Asset Funds 2%, Alternatives 26%, Bonds and index linked bonds 7% and cash 5%. The value of the portfolio at the end of September 2022 was £4,672,791 (compared to £4,965,187 at the same time in 2021).

At 31st July 2022 the investment portfolio had a value of £4,497,498 and cash of £265,444.

The estimated annual income of the portfolio was £68,774.

Reserves policy

The Trustees have forecast the level of free reserves (that is those funds not tied up in designated and restricted funds) which the Trust requires to sustain its operations on an ongoing basis.

The Trustees consider that the most appropriate level of free reserves is that which would provide the charity with sufficient investment income and accumulated capital to maintain its activities and current grant allocation in the long term.

THE SAMUEL COURTAULD TRUST

Report of the Trustees
for the Year Ended 31 July 2022

FUTURE PLANS

There are no plans to change the way the Trust operates and the Trustees will continue to oversee the methods by which they may meet and fully comply with the objects of the Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Trust is a charitable company limited by guarantee, incorporated on 15th August 1989 and registered as a charity on 30th November 1989. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

The Board of Trustees is made up of up to nine elected members together with the Chairman of the governing Board of the Courtauld Institute of Art, which is also permitted to nominate a further two members. The Chairman of the Board of Trustees is elected, by all Trustees, from amongst the elected members.

The recruitment of potential elected members is overseen by the Chairman of the Board of Trustees, who ensures that persons of suitable experience and expertise are approached.

Organisational structure

The Board of Trustees generally meets twice a year to administer the charity. The day to day operations are overseen by the Chairman and Secretary and where appropriate agreement to decisions is sought from all Trustees. In addition, the Investment Committee normally meets twice a year and between meetings the members consult so as to take decisions as required.

THE SAMUEL COURTAULD TRUST

Report of the Trustees
for the Year Ended 31 July 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees meet with the Chairman and tour the Gallery to discuss the work and the workings of the Trust.

New Trustees are informed of their legal obligations under charity law, the Charity Commission guidance on public benefit, the content of the Memorandum of Association, the committee and decision-making processes, and recent financial performance of the Charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Related parties

The Trust has a close relationship with the Courtauld Institute of Art, which is an independent College of the University of London. The Trust, in furtherance of its objectives, donates an annual grant to assist in the operations of the Institute.

Risk management

The assessment and management of risk is a particular and ongoing responsibility. In regard to the financial affairs of the Trust, Trustees continue to have confidence in the arrangements that they have set in hand, through professional managers under the direction and supervision of the Investment Committee and through the work of the Board of Trustees who assess risks and actions required. The care and security of the Trust's collection of works of art, as has been made clear in previous reports, are for all practical purposes and pursuant to the Memorandum of Understanding between the Trust and the Courtauld Institute of Art in the hands of the Director of the Institute and relevant staff. During the year significant actions have been taken to reduce risk, most substantially through The Courtauld's capital project.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02413547 (England and Wales)

Registered Charity number

802109

Registered office

Courtauld Institute of Art
Somerset House
Strand
London
WC2R 0RN

Trustees

L J C Barton
Lord Browne of Madingley
Professor R J H Emery
H Legge KC
A R Nairne CBE
C B Booth-Clibborn
J A Alexander
A Hochhauser KC (Chairman)
S Osman
I De
M N H Hoffman
Professor R P Blakesley

Company Secretary

Hannah Kauffman

Senior Statutory Auditor

Gregory Stevenson FCA

THE SAMUEL COURTAULD TRUST

Report of the Trustees
for the Year Ended 31 July 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Fund Managers

Cazenove Capital Management Limited
1 London Wall Place
London
EC2Y 5AU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Samuel Courtauld Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE SAMUEL COURTAULD TRUST

Report of the Trustees
for the Year Ended 31 July 2022

AUDITORS

The auditors, Knox Cropper LLP, will be proposed for re-appointment at the forthcoming Board Meeting.

Approved by order of the board of trustees on29th November 2022..... and signed on its behalf by:


.....
Secretary

Opinion

We have audited the financial statements of The Samuel Courtauld Trust (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, 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 the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 Report of the Independent Auditors 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
The Samuel Courtauld Trust**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) and the Companies Act 2006.

We understood how the charitable company is complying with those frameworks via communication with those charged with governance, together with the review of the charity's documented policies and procedures. The charitable company is required to comply with both company law and charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.

The audit team, which is experienced in the audit of charities, considered the charitable company's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.

Our approach was to check that the income from donations, legacies and grants were properly identified and accurately disclosed, that expenditure complied with the control procedures and was appropriately charged. We confirmed the movements and income from investments, including unrealised gains/losses. We also reviewed journal adjustments and unusual transactions for management override, and considered the identification and disclosure of related party transactions.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery of intentional misrepresentation, or through collusion.

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 Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
The Samuel Courtauld Trust

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gregory Stevenson FCA (Senior Statutory Auditor)
for and on behalf of Knox Cropper LLP
Chartered Accountants and Statutory Auditors
65 Leadenhall Street
London
EC3A 2AD

Date: 16th December 2022

THE SAMUEL COURTAULD TRUST

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 July 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	3	<u>73,220</u>	-	<u>73,220</u>	<u>74,814</u>
EXPENDITURE ON					
Raising funds	4	<u>17,689</u>	-	<u>17,689</u>	<u>17,794</u>
Charitable activities	5				
Charitable activities		<u>115,887</u>	-	<u>115,887</u>	<u>759,351</u>
Total		<u>133,576</u>	-	<u>133,576</u>	<u>777,145</u>
Net gains/(losses) on investments		<u>(67,261)</u>	-	<u>(67,261)</u>	<u>811,425</u>
NET INCOME/(EXPENDITURE)		<u>(127,617)</u>	-	<u>(127,617)</u>	<u>109,094</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>4,768,257</u>	<u>10,732</u>	<u>4,778,989</u>	<u>4,669,895</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>4,640,640</u></u>	<u><u>10,732</u></u>	<u><u>4,651,372</u></u>	<u><u>4,778,989</u></u>

The notes form part of these financial statements

THE SAMUEL COURTAULD TRUST

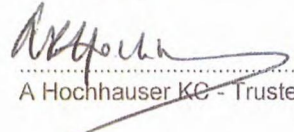
Balance Sheet
31 July 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Investments	12	4,497,498	-	4,497,498	4,742,253
CURRENT ASSETS					
Cash at bank		254,712	10,732	265,444	114,369
CREDITORS					
Amounts falling due within one year	13	(111,570)	-	(111,570)	(77,633)
NET CURRENT ASSETS					
		<u>143,142</u>	<u>10,732</u>	<u>153,874</u>	<u>36,736</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>4,640,640</u>	<u>10,732</u>	<u>4,651,372</u>	<u>4,778,989</u>
NET ASSETS					
		<u>4,640,640</u>	<u>10,732</u>	<u>4,651,372</u>	<u>4,778,989</u>
FUNDS					
Unrestricted funds	14			4,640,640	4,768,257
Restricted funds				<u>10,732</u>	<u>10,732</u>
TOTAL FUNDS					
				<u>4,651,372</u>	<u>4,778,989</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on ~~29th November 2022~~ and were signed on its behalf by:


.....
Professor R J H Emery - Trustee


.....
A Hochhauser KC - Trustee

The notes form part of these financial statements

THE SAMUEL COURTAULD TRUST

Cash Flow Statement
for the Year Ended 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(99,639)</u>	<u>(1,039,904)</u>
Net cash used in operating activities		<u>(99,639)</u>	<u>(1,039,904)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(1,172,163)	(1,102,302)
Sale of fixed asset investments		1,349,657	1,846,416
Interest received		79	1,584
Dividends received		<u>73,141</u>	<u>73,230</u>
Net cash provided by investing activities		<u>250,714</u>	<u>818,928</u>
Change in cash and cash equivalents in the reporting period			
		151,075	(220,976)
Cash and cash equivalents at the beginning of the reporting period		<u>114,369</u>	<u>335,345</u>
Cash and cash equivalents at the end of the reporting period		<u><u>265,444</u></u>	<u><u>114,369</u></u>

The notes form part of these financial statements

THE SAMUEL COURTAULD TRUST

Notes to the Cash Flow Statement
for the Year Ended 31 July 2022

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(127,617)	109,094
Adjustments for:		
Losses/(gain) on investments	67,261	(811,425)
Interest received	(79)	(1,584)
Dividends received	(73,141)	(73,230)
Increase/(decrease) in creditors	<u>33,937</u>	<u>(262,759)</u>
Net cash used in operations	<u>(99,639)</u>	<u>(1,039,904)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.21 £	Cash flow £	At 31.7.22 £
Net cash			
Cash at bank	<u>114,369</u>	<u>151,075</u>	<u>265,444</u>
	<u>114,369</u>	<u>151,075</u>	<u>265,444</u>
Total	<u>114,369</u>	<u>151,075</u>	<u>265,444</u>

The notes form part of these financial statements

1. GENERAL INFORMATION

The Samuel Courtauld Trust is a charitable company incorporated in England and Wales under the Companies Act 2006. A description of the nature of The Samuel Courtauld Trust's operations and its principal activity is disclosed in the Report of the Trustees.

The registered office of The Samuel Courtauld Trust is: The Courtauld Institute of Art, Somerset House, Strand, London, WC2R 0RN.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Investments

Investments are a form of basic financial investment and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

2. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Heritage assets

The works of art under the Trust's stewardship are not valued in the financial statements as the trustees feel unable to do so due to their unique nature. They consider that substantial costs, disproportionate to the benefit to readers and users of these accounts, could be paid to obtain a valuation and that any internal valuation by members of the curatorial staff could be so significantly different, from any amount that might be obtained were the assets sold, that it would be rendered meaningless. Details of Heritage Assets are disclosed in Note 10 to the Financial Statements.

Acquisitions

The Trust receives donations of works of art, which are noted annually in the Report of the Trustees. It also considers purchasing items which enhance the Collection.

All acquisitions, whether donated or purchased are excluded from the Balance Sheet as, in the view of the trustees, capitalisation of a very small proportion of the entire Collection would not assist the reader of these accounts. Details of purchases and gifts in the last five years are disclosed in Note 10 to the Accounts.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

2. ACCOUNTING POLICIES - continued

Judgements and Key Sources of Estimation Uncertainty

The application of accounting standards and policies requires the Trustees to make estimates and assumptions about future events that directly affect the charity's reported financial condition and operating performance. The accounting estimates and assumptions discussed are those that the Trustees consider to be most critical to the financial statements. An accounting estimate is considered critical if both (a) the nature of estimates or assumptions is material due to the level of subjectivity and judgement involved, and (b) the impact within a reasonable range of outcomes of the estimates and assumptions is material to the charity's financial condition or operating performance.

The Trustees have considered the risk of estimation uncertainty causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, and consider there to be no significant accounting estimates and assumptions. As detailed in the policy on Heritage Assets, the works of art under the Trust's stewardship are not valued in the financial statements as the Trustees feel unable to do so due to their unique nature. Any valuation of the works of art is considered to be too vague to include meaningfully in any set of financial statements.

THE SAMUEL COURTAULD TRUST

Notes to the Financial Statements
for the Year Ended 31 July 2022

3. INVESTMENT INCOME		2022	2021
		£	£
Investment income		73,141	73,230
Investment managers interest		79	1,584
		<u>73,220</u>	<u>74,814</u>
4. RAISING FUNDS			
Investment management costs		2022	2021
		£	£
Portfolio management		<u>17,689</u>	<u>17,794</u>
5. CHARITABLE ACTIVITIES COSTS			
	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Charitable activities	<u>75,000</u>	<u>40,887</u>	<u>115,887</u>
6. GRANTS PAYABLE		2022	2021
		£	£
Charitable activities		<u>75,000</u>	<u>720,000</u>
		2022	2021
		£	£
Courtauld Institute of Art - Annual Grant		75,000	70,000
Courtauld Institute of Art - Special Grant		-	650,000
		<u>75,000</u>	<u>720,000</u>
7. SUPPORT COSTS			Governance costs
			£
Charitable activities			<u>40,887</u>

THE SAMUEL COURTAULD TRUST

Notes to the Financial Statements
for the Year Ended 31 July 2022

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	<u>4,960</u>	<u>4,360</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	<u>74,814</u>	-	<u>74,814</u>
EXPENDITURE ON			
Raising funds	17,794	-	17,794
Charitable activities			
Charitable activities	<u>759,351</u>	-	<u>759,351</u>
Total	<u>777,145</u>	-	<u>777,145</u>
Net gains on investments	<u>811,425</u>	-	<u>811,425</u>
NET INCOME	109,094	-	109,094
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>4,659,163</u>	10,732	<u>4,669,895</u>
TOTAL FUNDS CARRIED FORWARD	<u>4,768,257</u>	<u>10,732</u>	<u>4,778,989</u>

11. HERITAGE ASSETS

The works of art under the Trust's stewardship are a unique art collection of paintings, drawings, prints, sculptures and decorative arts ranging from the medieval period to the present day held in the recently refurbished and updated Courtauld Gallery.

A significant proportion of the Collection is displayed at the Gallery at Somerset House in London and is open to the public on almost every day of the year. In addition on an ongoing basis loans of the collection are made to other galleries for specific exhibitions.

As set out in the Report to the Trustees of these accounts, the conservation, management and the record keeping of the Collection is subject to the Memorandum of Understanding between the Trust and the Courtauld Institute of Art. The cost of these matters are borne by the Courtauld Institute of Art, which employs experts in their fields to carry out all of the necessary work.

The Trustees consider that the unique collection should not be valued in the financial statements as they consider the cost or valuation is not available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity, and that any internal valuation by members of the curatorial staff could be so significantly different from any amount that might be obtained were the assets sold, that it would be rendered meaningless.

The Trustees would not expect any valuation of heritage assets to total less than £1 billion. However as stated above this figure is considered to be too vague to include meaningfully in any set of financial statements.

The heritage assets of the Trust are not able to be sold without the specific approval of the Charity Commission.

The works held by the Trustees pursuant to the Will of Count Seilern were conditionally exempted from tax on his death. Undertakings were given to the Treasury that:-

- (a) the objects will be kept permanently in the United Kingdom and will not leave it temporarily except for a purpose and a period approved by the Treasury; and
- (b) reasonable steps will be taken for
 - (i) the preservation of the objects; and
 - (ii) securing reasonable access to the public on terms to be agreed with the Treasury.

On the breach of these undertakings or the sale of any of the works of art in question, inheritance tax would be charged on the value at the time of the breach, or the net proceeds of sale (as appropriate) at 40%.

Trustees confirm that a report was made in September 2022 to the Capital Taxes Office advising of loans made to museums abroad over the past year and giving details of loans planned for the coming year.

Although the heritage assets are not disclosed on the Balance Sheet, as set out in the Charity Statement of Recommended Practice, it is necessary for the Charity to provide a summary of transactions relating to heritage assets for the current and previous four reporting periods. This is set out in the table below:

	2022	2021	2020	2019	2018
	£	£	£	£	£
Purchases	-	-	32,518	-	31,331
HM Treasury in Lieu of Capital Taxes	-	-	9,750,157	-	-
Donations	23,100	40,500	224,332	28,650	32,050
Total Additions	23,100	40,500	10,007,007	28,650	63,381

11. HERITAGE ASSETS (continued)

There has been no disposals or impairment of Heritage Assets.

The amount of £9,750,157 received in 2020, represents Artworks accepted by HM Treasury in lieu of Capital Taxation and allocated to the Samuel Courtauld Trust on behalf of the Courtauld Gallery.

Details of the acquisitions are recorded annually in the Trustees Report.

THE SAMUEL COURTAULD TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 August 2021	4,742,253
Additions	1,172,163
Disposals	(1,349,657)
Unrealised gains/(losses)	<u>(67,261)</u>
At 31 July 2022	<u>4,497,498</u>
NET BOOK VALUE	
At 31 July 2022	<u>4,497,498</u>
At 31 July 2021	<u>4,742,253</u>

At 31st July 2022, the split of the investments was as follows:

	Listed investments £
Equities	2,894,564
Bonds	292,476
Multi Assets	80,648
Alternatives	<u>1,229,810</u>
	<u>4,497,498</u>

Any profit made during the year on sales of investments is reinvested in additional investments or retained in cash pending reinvestment.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Courtauld Institute of Art	75,000	70,000
Accrued expenses	<u>36,570</u>	<u>7,633</u>
	<u>111,570</u>	<u>77,633</u>

THE SAMUEL COURTAULD TRUST

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 July 2022

14. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
Unrestricted funds				
General fund	4,700,056	(127,617)	(31,251)	4,541,188
Aquisitions Fund	59,132	-	25,000	84,132
Maintenance Grant	9,069	-	6,251	15,320
	<u>4,768,257</u>	<u>(127,617)</u>	<u>-</u>	<u>4,640,640</u>
Restricted funds				
Lillian Lines Fund	10,732	-	-	10,732
	<u>10,732</u>	<u>-</u>	<u>-</u>	<u>10,732</u>
TOTAL FUNDS	<u>4,778,989</u>	<u>(127,617)</u>	<u>-</u>	<u>4,651,372</u>

THE SAMUEL COURTAULD TRUST

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	73,220	(133,576)	(67,261)	(127,617)
TOTAL FUNDS	<u>73,220</u>	<u>(133,576)</u>	<u>(67,261)</u>	<u>(127,617)</u>

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
Unrestricted funds				
General fund	4,619,639	109,094	(28,677)	4,700,056
Aquisitions Fund	39,132	-	20,000	59,132
Maintenance Grant	392	-	8,677	9,069
	4,659,163	109,094	-	4,768,257
Restricted funds				
Lillian Lines Fund	10,732	-	-	10,732
TOTAL FUNDS	<u>4,669,895</u>	<u>109,094</u>	<u>-</u>	<u>4,778,989</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	74,814	(777,145)	811,425	109,094
TOTAL FUNDS	<u>74,814</u>	<u>(777,145)</u>	<u>811,425</u>	<u>109,094</u>

Lillian Lines Fund

These monies are to be used to assist with the maintenance of the Browse Collection.

Designated Funds

The Designated Funds represent monies set aside by the Trustees to be used, at their discretion, to assist in the purchase of works of art (Acquisition Fund) and with the annual maintenance grant to the Courtauld Institute of Art.

15. RELATED PARTY DISCLOSURES

The following transactions have been entered into by the Trust with the Courtauld Institute of Art during the year under review:

The Trust agreed to pay £75,000 as a maintenance grant.

The amount due to the Institute at 31st July 2022 was £75,000 (2021: £70,000).