









# Contents

Vision and Mission	4
Chairman's Foreword	6
Märit Rausing Director's Introduction	7
Year in Review	8
Strategic Report	14
Directors' Report	17
Governance Statement	19
Statement of Directors' Responsibilities	21
Independent Auditors' Report to the Governing Board of The Courtauld Institute of Art	22
Consolidated and Institute Statement of Comprehensive Income and Expenditure	24
Consolidated and Institute Statement of Changes in Reserves	25
Consolidated and Institute Balance Sheet	26
Consolidated Cash Flow Statement	27
Statement of Principal Accounting Policies	28
Notes to the Financial Statements	33
Research Output and Publications from 1 August 2018 to 31 July 2019	49
List of acquisitions for the period 1 August 2018 to 31 July 2019	50
Loans from the collection 1 August 2018 to 31 July 2019	51

Front and left: Beth Greenacre (BA 1997) in conversation with Jeremy Deller (BA 1988) at The Courtauld's Summer Party 2019, which celebrated The Courtauld's Alumni and their contributions to and advocacy of the arts.

# Vision and Mission

## The Courtauld Institute of Art

The Courtauld Institute of Art brings together outstanding research and teaching in the history, conservation and curation of visual art with a world-renowned art collection displayed in an exceptional Gallery at Somerset House. We are a champion for art history, curating and conservation, and our alumni are leaders in these fields worldwide.

Operating from the heart of London, the global capital of the art world, we are based in Somerset House, an architectural masterpiece and a dynamic hub for the visual arts and creative industries.

The Courtauld and its community represent one of the largest concentrations of art historians, curators and conservators in the world. Our teaching and research excellence engages with a wide range of specialisms from late antiquity to the present and extend across diverse cultures from early Christian Byzantium to contemporary China, and we provide professional education in curating and conservation. Our gallery welcomes visitors from around the world and our unparalleled collections of original works of art and research resources – including image collections and libraries – benefit our students, staff, and the public.

The Courtauld influences individuals and the wider society by inspiring fresh thinking about art and culture. We have a deep commitment to research and teaching and aim to stimulate the cultural sector locally, nationally and internationally by developing new ideas and expertise. We are committed to enabling the widest possible audience to connect with the visual arts through our collections, teaching, research and public engagement.

Our alumni – a dynamic community of specialists who fully share that commitment – shape the art world and lead public institutions internationally.

## Vision

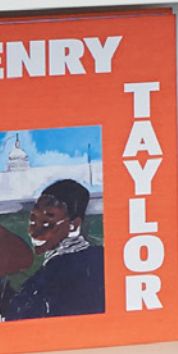
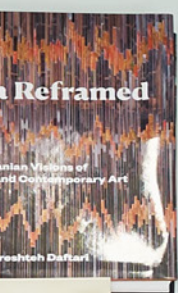
We aim to be the most critically engaged, welcoming and generous institution for the study of art in the world.

## Mission

Our mission is to advance the understanding of the visual arts of past and present across the world, through advanced research, innovative teaching, and inspiring exhibitions and programmes

We will:

- Contribute positively to society through the study, display, understanding and promotion of art at the highest international levels of excellence,
- Champion the research, study and dissemination of art history, conservation and curating,
- Fulfil Samuel Courtauld's vision of the importance of "art for all", sharing ways of learning and looking more closely, thinking more deeply and engaging more fully with art.





# Chairman's Foreword

The Courtauld is a place for uncompromising excellence. We undertake outstanding teaching and research into the history, conservation and curation of the visual arts, while also sharing superb collections and expertise with the wider public. Our community of art historians, curators and conservators – perhaps the largest university-based concentration in the world – attracts students who extend The Courtauld's influence globally. As future leaders, they go on to shape society's understanding of art and culture, spreading new ideas and engaging new audiences.

In my second year as Chairman of The Courtauld I have seen this process in action as alumni continue to be appointed to significant positions, create new work and beneficially influence the fabric of society. This summer, I hosted a celebration of The Courtauld's contribution to contemporary art at the Venice Biennale, in the outstanding but little known Palazzo di Malta Venezia, where the atmospheric cloisters were the perfect setting to bring together friends old and new. It was a pleasure to be able to link this year's pavilions of Kosovo, Bosnia and Herzegovina, New Zealand and Hong Kong to The Courtauld's alumni and students.

We celebrated many other successes. Kaywin Feldman (MA 1991) was appointed Director of the National Gallery of Art in Washington, and became the first woman to hold the position. *Christian Dior: Designer of Dreams* – the V&A's most visited exhibition ever – was curated by Oriole Cullen (MA 1998). Nigel Carrington (PG Dip 2007) was awarded a knighthood for his services to Higher Education and the Creative Industries in the Queen's birthday honours. Jeff Wall RSA (PhD 1973) exhibited his new body of work at White Cube to great acclaim, while two of our younger alumnae, Nabila Abdel Nabi (MA 2015) and Devika Singh (MA 2005), were appointed as curators at Tate specializing in Middle Eastern and South Asian art. This autumn, following his publication of the biography of Antony Gormley, Martin Caiger-Smith (Head of the Curating the Art Museum MA programme and MA 1983), has curated the splendid exhibition *Antony Gormley* at the Royal Academy of Arts.

The transformational project *Courtauld Connects* achieved many milestones this year. The art collection was safely decanted, the Gallery closed to the public in September, and building works began. Our core university facilities relocated to a temporary campus at Vernon Square, and hosted a strong student cohort, with 285 students proceeding to successful graduation at BA, MA and PhD. The temporary closure of the Gallery has created the opportunity to share our collections locally (at the National Gallery), throughout the UK and internationally, most notably in Paris, where *The Courtauld Collection: A Vision for Impressionism* organised in partnership with the Fondation Louis Vuitton in Paris attracted nearly 500,000 visitors in the space of three months. As of November 2019, more than £45 million has been contributed to *Courtauld Connects*, with £30 million still to be raised. We continue to be reminded that without the enormous generosity of our donors, the Courtauld would be unable to fulfil its purpose. We are therefore immensely grateful to those who have and who will continue to support us.

The Courtauld's Governing Board welcomed seven new Trustees this year, who are already making an important impact on the work of the Courtauld. We celebrated the outstanding contribution made by Daniella Luxembourg, whose tenure on the Board came to end. The same is true of James Hughes-Hallett, my predecessor as Chairman, who stepped down from the Board this year.



James's death in October was a great loss not just to his family and friends, but to all those who worked with him, and to the myriad organisations throughout society which benefitted from his dedication and commitment. The Courtauld is fortunate to count itself among those organisations, and he will be deeply missed.

I also have to record, with equal sadness, the death of Andrew Adcock, who served both as a Governor of The Courtauld and as Chairman of the Samuel Courtauld Trust, with distinction. He too will be greatly missed.

The Higher Education sector is under considerable pressure to deliver value for money – understandably so. As the sands around us shift, The Courtauld continues to maintain an uncompromising focus on excellence. This is only possible as a result of philanthropy, from the generosity and enlightenment of Samuel Courtauld himself, to the contributions we receive today which will build the foundations of an exciting new future. On behalf of the Governing Board, I would like to thank all those who work at and with The Courtauld for the dedication, creativity and professionalism which makes everything possible.

**The Lord Browne of Madingley**  
Chairman of the Governing Board,  
The Courtauld Institute of Art

# Märit Rausing Director's Introduction

A busy, challenging and rewarding year, 2018/19 saw The Courtauld achieve a great deal: the Gallery closed in September and the “build” dimension of Courtauld Connects started – firstly protecting the site, then removing redundant material and beginning to reveal the original structure and architectural details including the full space of the Royal Academy Great Room. We held very successful major exhibitions of Samuel Courtauld's collection of impressionist and post-impressionist masterpieces at the National Gallery and the Fondation Louis Vuitton in Paris and continued our national partnerships with Coventry and Preston, while planning further phases of the programme. The move of our teaching, learning, the conservation studios and laboratories, the Sackler Research Forum and the core book library to Vernon Square was successfully achieved during the Christmas vacation. Inevitably disruptive at times, these changes are all part of the challenge that we have set ourselves as an institution and are undoubtedly stimulating new thinking at all levels.

The Courtauld's determination to achieve greater diversity and to expand its global reach was demonstrated in many ways, including the 2018 Frank Davis Memorial Lecture Series which addressed visual and material witnesses to colonialism, migration, and indigeneity, inviting reflection on the vital role that the history of art has to play in understanding local, national and global histories. Before the end of the year there were two further developments. One was the excitement of receiving a generous endowment grant from the Getty Trust, which will ensure that our Wall Painting Conservation programme can provide fully international field experience to cohorts of students from all over the world. The second was our application to the Andrew W Mellon Foundation to support two academic teaching and research posts in modern and contemporary art of Africa and African diaspora.

During the spring term, colleagues inspired full audiences with their professorial lectures, celebrated book launches and won prestigious awards and fellowships. Our students, always committed to the subject they have chosen, continued to praise the teaching they received and adapted to the light airy spaces of Vernon Square with good humour. The implications of new accountability requirements of the Office for Students will require adjustment and time to embed.

A highlight of the year, bringing all parts of The Courtauld together and linking up with our cultural partners at the Ulster Museum, was our first “national” research festival - Resfest Belfast. Courtaulds Ltd employed thousands of workers at its plant at Carrickfergus, near Belfast, as it did in Coventry, Hull, Preston and Wolverhampton and other places throughout the UK, which are part of our national partnership scheme. During a highly successful evening at the Ulster Museum, coinciding with the end of a loan display featuring *The Nude* by Amedeo Modigliani, colleagues and students explored a wide range of our research and its significance for society.

Throughout the year, our creative work with schools and communities has continued; and the project to digitise the Conway Library has drawn staggering numbers of volunteers (over 600) into The Courtauld and exceeded its targets. We are very grateful to the National Lottery Heritage Fund for their encouragement and support of all this activity as part of the larger Courtauld Connects project.



None of the work we do would be possible without the support of key partners. We are delighted to have signed a long term lease directly with Somerset House Trust, securing our future for 70 more years and we are excited about the real possibility that the Strand to the north of Somerset House will be pedestrianised. The University of London continues to provide us with invaluable services and connectivity, as do our sister colleges – particularly Kings College London, the Royal Academy of Music, Royal Holloway, and SOAS (our Vernon Square landlord) – and we warmly welcome Wendy Thomas as our new Vice-Chancellor.

Without philanthropic supporters and senior volunteers The Courtauld could neither operate successfully nor achieve our ambition to increase our relevance and impact. We are sincerely grateful to them all.

A handwritten signature in black ink, reading 'Deborah Swallow'.

**Professor Deborah Swallow**  
Märit Rausing Director

## Student experience, Teaching and Learning

This year saw two major changes to the life of students at The Courtauld. The first was the move of all teaching from Somerset House to Vernon Square; the second was the first full year of the Office for Students as the regulatory body for universities.

The move to Vernon Square involved the uprooting of all teaching activities – faculty offices, seminar rooms, lecture theatres, conservation studios, library and the Research Forum – as well as all the associated professional services (student and academic services, counsellors and careers advice). The work was undertaken at the end of the autumn term, and we re-opened on-time on 3 January 2019 in our new, temporary home. Vernon Square was built as a school, and used for teaching by SOAS for many years; so it has been a perfect place for relocation. Moving the sensitive equipment of the conservation labs, and the 2.3km of books were the largest challenges. Vernon Square is allowing us to test out how we use spaces and equipment in advance of our return to Somerset House.

The establishment of the Office for Students has been much less visible, but is no less significant. With its emphasis on students rather than institutions it is making The Courtauld redouble its efforts to ensure that we offer students the best possible experience of studying with a keen eye on value for money.



The History of Art Department welcomed three new faculty, Dr Jessica Barker (lecturer in medieval art), Dr Esther Chadwick (lecturer in early Modern art), and Dr Stephen Whiteman (senior lecturer in the arts of China) who all taught their first classes during the year. The year also saw the retirement of Professor Joanna Cannon after more than 40 years of dedicated work, outstanding teaching and ground-breaking research; and the move of Dr Giovanni Verri to a new post at the Art Institute in Chicago.

In September 2018, we welcomed 534 students from 44 countries over eight degree programmes and for students graduating in 2019:

- 67 students were awarded the BA History of Art, of whom 19 achieved First Class Honours (28.4%)
- 21 students awarded the CGDHA (Pass), of whom 16 were eligible to go on to the MA (76.2 %)
- 151 students awarded the MA History of Art, of whom 85 achieved Distinctions (56.3%)
- 11 students awarded the MA Curating the Art Museum, of whom 3 achieved Distinctions (27.3%)
- 7 students awarded the MA Buddhist Art: History and Conservation, of whom 6 achieved Distinctions (85.7%)
- 5 students were awarded the PG Diploma in the Conservation of Easel Paintings
- 8 students were awarded the MA in the Conservation of Wall Painting, of whom 4 achieved Distinctions (50%)
- 15 students awarded the PhD

In addition, Short Courses reached 921 British and other European, and overseas fee-paying adult learners through its Study Tours (80), Saturday Study Events (125), Showcasing Art History programme (311), Spring School 2019 (43) and Summer School 2019 (362).

Finally, in 2018/19 our outreach and widening participation programmes reached a total of 5,163 students and young people from non-selective state schools and further education (FE) colleges.

Right: Museum Detox demonstrating a virtual reality device



## Advancing interdisciplinary and collaborative scholarship, Research Impact

The 2018/19 academic year was characterised by a dynamic and imaginative Sackler Research Forum programme, with events attended by more than 10,000 people. Among faculty and curators, there was a collaborative and ambitious effort to rethink our research strengths, and to develop a new model for organising our research community into clusters and groups that reflect our strengths and priorities. This process has culminated in a revitalised programme, as well as an innovative set of activities that will benefit our research students, faculty, curators and collaborators. With the support of Lila Kanner, Head of Philanthropy, colleagues across The Courtauld also contributed to the development of two new faculty posts, in modern and contemporary art of Africa and African diaspora, which resulted in an application to a major grant from The Andrew W. Mellon Foundation.

Our Sackler Research Forum Postdoctoral Research Fellow for 2018/19 was Dr Edwin Coomasaru, who pursued research exploring art that responds to the Good Friday Agreement and its aftermath, while also running a very popular public Programme about the visual culture surrounding Brexit. Dr Rachel Warriner embarked on her British Academy postdoctoral fellowship with us at the start of 2018/19. For three years, this grant enables her to

focus on her project 'Feminist Arts-Activism, New York: Collectives, Actions, Agitations.' She is also playing a leading role in our new 'Gender and Sexuality Research Group,' which launches a new research programme in 2019/20. The final year of Dr Christian Berger's two-year Marie Skłodowska Curie fellowship, which explored the materiality of conceptual art, concluded with an international conference on materiality and conceptualism at the Courtauld in October 2019.

Professor Katie Scott was awarded a Major Research Fellowship by the Leverhulme Trust that will allow her to work for three years on her next book, entitled *Open City: Paris and the arts in the eighteenth century*. Dr Scott Nethersole, Senior Lecturer in Italian Renaissance Art, secured the Berenson Fellowship at I Tatti, the Harvard University Centre for Italian Renaissance Studies, which enables him to spend the Autumn term of 2019/20 in Florence to undertake a research project entitled 'Between Tuscany and Ethiopia: The Miracle of the Black Leg and the Perception of Christian Africa in Early Renaissance Italy'. Maureen Cross and Clare Richardson were awarded a grant by the Getty Foundation to support research and training in the conservation of paintings on canvas. Dr Rebecca Arnold has been awarded an AHRC grant that will support an international, interdisciplinary network focusing on the reinterpretation of fashion in other media, entitled 'Fashion Interpretations: Dress, Medium & Meaning.'



## The Courtauld Gallery

The temporary closure of the Gallery on 4 September 2018 was a milestone in the Courtauld Connects project and initiated an important new phase of activity. For the Gallery, the core planning principles for the closure period are, firstly, a commitment to maintain and develop access to the collection and, secondly, the aim to deliver an ambitious programme of activity that raises awareness of The Courtauld nationally and internationally and helps bring the collection to new audiences.

After the Gallery closed its doors, attention focused initially on the safe removal of the remaining works of art. In total, the team moved some 35,000 works to our dedicated off-site storage facility. This included complex panel paintings, large items of furniture, fragile items of decorative art and our complete collection of works on paper. Involving months of detailed planning and preparation, the removal process was undertaken with exemplary professionalism. Simultaneously, at Vernon Square the collection workshop, the prints & drawings study room, and the conservation studio for works on paper were all successfully taken into operation, helping to ensure the ongoing care and study of the collection.

Soon after the last works of art left Somerset House we celebrated the opening of the exhibition *Courtauld Impressionists: From Manet to Cézanne* (17 September 2018 – 20 January 2019), organised in collaboration with the National Gallery. The exhibition brought together works acquired by Samuel Courtauld for his private collection with examples purchased by him for the nation through the Courtauld Fund. The exhibition was very well-received and drew over 140,000 visitors. Our partnership with the National Gallery during our temporary closure extends well beyond this single exhibition. In late March 2019 the National Gallery opened a dedicated Courtauld Room for rotating displays from our collection. In a series of thought-provoking encounters, other works from The Courtauld, including decorative arts, are being shown amongst the National Gallery's permanent collection displays.

In February 2019, we opened the major exhibition *The Courtauld Collection: A Vision for Impressionism* (20 February – 17 June) at the Fondation Louis Vuitton in Paris. Works from The Courtauld Gallery were reunited with outstanding loans from other institutions and private collections to give an extraordinary and moving account of Samuel Courtauld's taste and broader mission. A handsome catalogue was produced featuring extensive new research which shed fresh light on the aims and purposes of our founder. Attention was also drawn to the role of Elizabeth Courtauld. The exhibition enjoyed remarkable international media coverage and, over the course of 4 months, was seen by some 483,000 visitors – an astonishing total.

A number of other fruitful partnership projects further enriched the year. These included our Illuminating Objects series, hosted by the Science Museum. Additionally, with the support and encouragement of the Samuel Courtauld Trust a number of important extended loans were made to, amongst others, the Van Gogh Museum in Amsterdam and the National Galleries of Scotland in Edinburgh.

Finally, we are delighted that our Regional Partnership Programme, continues to go from strength to strength as part of the broader Courtauld National initiative. A particular highlight in 2018/19 was the loan of Cézanne's *Montagne St. Victoire* to the Herbert Art Gallery & Museum in Coventry. Also part of Courtauld National is the Peoples and Places scheme. This has seen the Courtauld's Public Programmes department deliver an inspiring range of workshops with schools and community groups in former Courtaulds Ltd towns, from Braintree to Flintshire. More generally, the Public Programmes department has responded to the closure of the Gallery by expanding its outreach programme in London and nationally. Alongside the production of high quality learning resources, programmes this year have included a strong focus on local architecture as well as successful ESOL (English for Speakers of other Languages) sessions. Such programmes play an important role in bringing The Courtauld to new audiences and delivering our institution's wider mission.

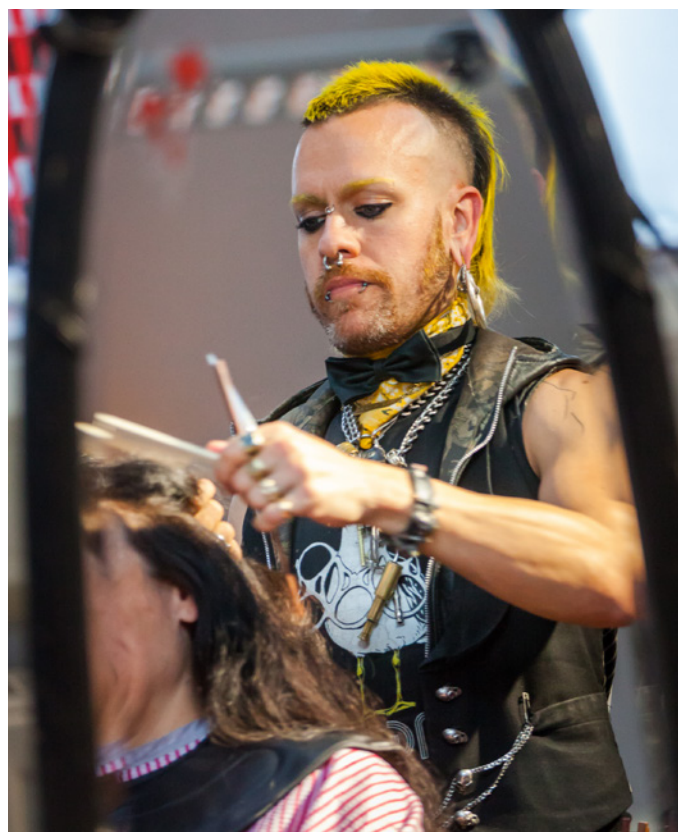
## Courtauld Connects, Shaping the future

The past year has seen tremendous progress on Courtauld Connects, a project which will transform The Courtauld as a physical place and a cultural force. Following the appointment of Sir Robert McAlpine Special Projects as Construction Manager, Phase 1 capital works began in the spring. Construction is now well underway and our home at Somerset House is changing day to day.

The project will significantly improve the accessibility of our building. The creation of new galleries from back of house office spaces will allow us to display a much greater variety of work from The Courtauld's collections and provide a larger, flexible space for a dynamic programme of temporary exhibitions. The Great Room, the first purpose-built space for the public display of art, will be restored to its original proportions, presenting the greatest collection of Impressionist artworks in the UK.

With greatly improved displays and lighting throughout the Gallery and innovative interpretation of the permanent collection and historic Somerset House building, visitors will gain deeper insight into the works by some of history's most famous artists and the social history of the architectural space in which The Courtauld is based.

In the West Wing, newly designed and expanded facilities will improve the work of our Conservation department and provide students with the best possible learning environment. Newly integrated back of house facilities will allow for better storage and handling of artworks.







### Engaging new audiences

Courtauld Connects is enabling us to engage with wider and more diverse audiences locally, nationally and internationally, through an inclusive programme of activity inspired by our historic site, expertise in art history, conservation and curating.

Inspired by our engagement with the National Lottery Heritage Fund, an exciting and engaging Activity Plan is underway, including the Courtauld National programme; Open Courtauld, a public-facing strand within the Research Forum; and the Courtauld Collections Digitisation and Courtauld Volunteers programme.

### Digitisation

The project took great strides the year 2018/19. In January 2019 the digitisation team moved into a new studio space adjacent to the collections being digitised, reclaimed by relocating almost a quarter of the photographic library – a task completed almost entirely by our volunteers. With two Phase One digital cameras in adjacent rooms, a conservation work room and a storage area for highly fragile glass negatives we have refined workflows and training and digitise around 90 boxes of photographs (ca. 8,500 images) a week.

Over the period, our volunteers donated 10,290 hours of time and the community grew to over 600 people. Over Summer 2019 we hosted work placements for students from local schools and colleges, a three-month graduate internship to a student from Furman University South Carolina and 20 internships to students enrolled in Oxford University's well-established micro internship programme. Our volunteer community continues to exceed end of project targets set by the NHLF: young adults 29% (target 20%), BAME 33% (target 25%) C2DE 39% (target 15%). We are also working inclusively with young people with autism, people with positive diagnoses of HIV and AIDS, adults with experience of mental distress and Christian Kurdish refugee families recently settled in the UK – always working in partnership with organisations specialising in these areas –and have developed corporate volunteering partnerships.

Above: The opening of RES|FEST 19 at Vernon Square, a free evening of pop-up talks, performances and exhibits, including drop in activities such as Barberette, the gender-neutral Barbershop (left).









## Making it happen

Philanthropy is central to enabling The Courtauld's vision and ambitions. We are extremely grateful to our donors this past year, who include individuals, trusts and foundations, corporations and public grant-making bodies who have generously supported our aims. A strong year saw new funds secured from 1 August 2018 to 31 July 2019 totalling £17.65m and made up of a number of transformational pledges across core activities as well as endowment, scholarships, and gifts realised for our Courtauld Connects campaign. These gifts were made in many ways, from text giving to legacies, and from all corners of the globe. There is great loyalty amongst the many longstanding supporters of The Courtauld and our donor base continues to grow as we develop new ways to engage and excite audiences including our Courtauld Fund Challenge day and the launch of corporate partnerships.

An impressive £42.9m towards the Courtauld Connects campaign has been raised (at 31 July 2019), which is indicative of a collective desire from our supporters to see The Courtauld become more accessible and sustainable for the future.

We are extremely grateful to visionary donors who this year established the New Directions Scholarship with a pledge of £450,000 for students of any age or nationality taking up the MA History of Art at The Courtauld, as part of the scholar's efforts to change their career path from a sector or discipline other than art history. We are also grateful to The J Paul Getty Trust who cemented their support as one of The Courtauld's longest standing advocates by donating a \$5m endowment grant towards the graduate programme in wall painting conservation, the only programme of its kind in the English-speaking world.

In the past year we were honoured to recognise Professor Joanna Cannon on her retirement, and see the Cannon Lowden Travel Fund supported by so many alumni and friends, and also to launch the Florence Waters Travel Fund. Both were crowd-funded initiatives providing vital support to The Courtauld's students pursuing their research interests around the world.

Left: Students walking through the tunnel of lights at Kings' Cross station, nearby The Courtauld's temporary home at Vernon Square.

Above: Students and guests at The Courtauld's Graduation Gala 2019

# Strategic Report

A College of the University of London, The Courtauld focuses on teaching and research in the areas of art history, the conservation of wall and easel paintings and curating, while offering public short courses. The Courtauld also cares for one of the world's most famous collections of paintings, drawings, sculpture and decorative arts within its Gallery, ranging from the Renaissance to the 21st century. The Gallery provides valuable support for teaching and research to students and academic staff throughout the UK higher education sector. A range of facilities and services are undertaken in support of key activities.

A key focus this year has been to develop the Vision and Mission, as outlined on page 4. This will be supported by our strategic objectives:

- To ensure our research, teaching and curating is relevant and global in cover, reach and impact, through new appointments, international partnerships and strategic relationships.
- To attract, recruit and nurture a larger, more inclusive and talented student body from the UK and across the world, equipping them with the skills to develop their highest potential in the fields of their choice.
- To grow our audience and extend the impact of The Courtauld through ambitious exhibitions, public programmes, and strategic partnerships, harnessing new technologies where appropriate.
- To secure a business model which is sustainable and resilient, including more robust commercial activities, combining charitable values and commercial thinking in all our operations and activities.
- To deliver The Courtauld's potential to serve the wider community by operating efficiently through the best use of our human resources, our physical estate, our technical services and our collections.

## Operating and Financial Review

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with the Financial Reporting Standard (FRS) 102.

A summary of the group Income and Expenditure Account is as follows:

	2019 £'000	2018 £'000
Income	29,917	23,538
Expenditure	23,640	19,191
Surplus before other gains and losses	6,277	4,347
Gain on investments	2,766	2,688
Taxation	6	(1)
Revaluation of heritage assets	114	261
<b>Total comprehensive income for the year</b>	<b>9,163</b>	<b>7,295</b>
Represented by		
Endowment comprehensive income for the year	5,160	2,091
Restricted comprehensive income for the year	7,206	5,203
Unrestricted comprehensive income for the year	(3,317)	(260)
Revaluation reserve comprehensive income for the year	114	261

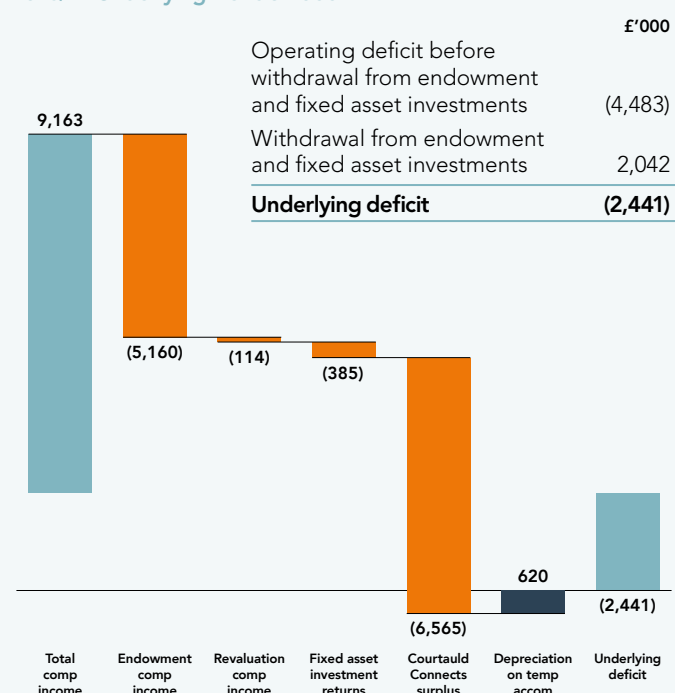
The consolidated results show a total for restricted and unrestricted comprehensive income of £3,889,000 compared to of £4,943,000 last year. This includes the change in fixed asset investments from investment income and market value gain over and above the planned redemption to support the operations of The Courtauld.

Excluding this unplanned change in fixed asset investments, the surplus for the group was £3,504,000 compared to a surplus of £4,472,000 in 2017/18. This surplus includes a net surplus of £6,565,000 (2017/18 £4,686,000) arising from fund raising and grants for the Courtauld Connects project exceeding project expenses in the year. Most of the project costs are incurred as capital expenditure. It also includes a £620,000 depreciation charge on the fit-out of the temporary accommodation occupied during the building works.

The increase in fixed asset investments from investment income and market value gain over and above the planned redemption to support operations is shown in note 12 to the financial statements and was £385,000, compared to £471,000 in 2017/18.

The underlying deficit was £2,441,000 (2017/18 £214,000) as shown in the chart and includes withdrawals from endowment and fixed asset investments of £2,042,000 (2017/18 £1,939,000). The deterioration in the underlying deficit is driven mainly by an increase in the USS pension deficit of £2,527,000 following the completion of the 2017 actuarial valuation (2017/18: £12,000 reduction in deficit).

### 2018/19 Underlying Deficit £'000



The endowment comprehensive income increased to £5,160,000 from £2,091,000 in the prior year. This includes new donations to the endowment of £3,892,000 (2017/18 £600,000) as well as investment income and market value gains in excess of withdrawals of £1,268,000 (2017/18 £1,491,000).

## Courtauld Connects

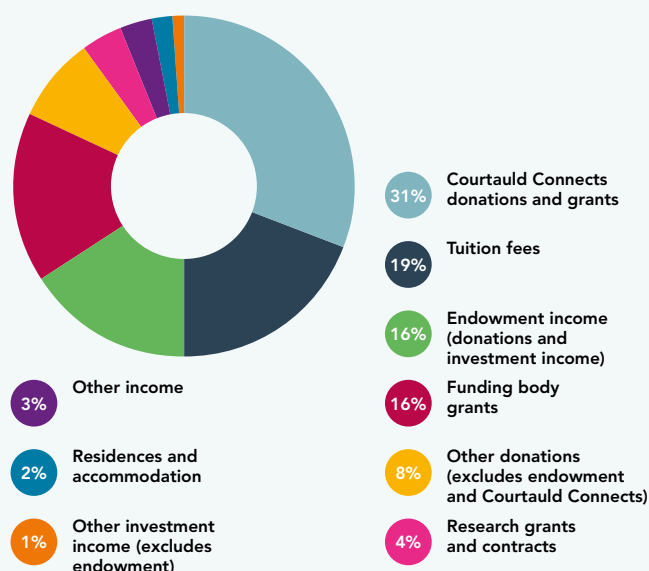
The Courtauld Connects project received donations and grants and incurred staff and other expenses resulting in a net surplus in the year of £6,565,000 (2017/18 £4,686,000). The project incurred £8,523,000 of capital expenditure bringing the project related capital cost held within Fixed Assets at the balance sheet date to £13,324,000. £1,735,000 is held in restricted reserves towards future project costs.



## Group Income

The Courtauld's income is derived from a range of sources, including the Office for Students and Research England, research grants and contracts, tuition fees, philanthropic income, Gallery admissions charges, fees for short courses and student accommodation and commercial income from accommodation, the Gallery Café, Shop and corporate hire. The Courtauld was awarded a significant increase in funding from HEFCE as a Small Specialist institution with effect from 2016/17 and to continue for four years. The HEFCE Reviewing Panel noted the 'extraordinary influence of the institution and its graduates in art history and art curation'.

### 2019 – How the Courtauld earned its £29,917,000 income



The group's income can be summarised as follows:

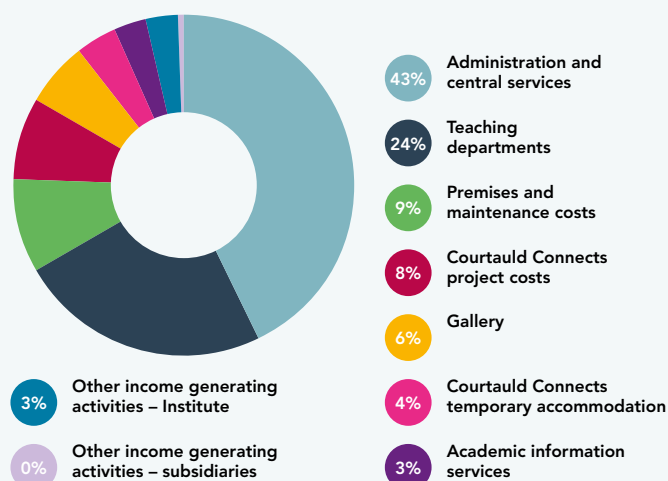
	2019 £'000	2018 £'000	Change %
Tuition fees and education contracts	5,650	5,405	5%
Funding body grants	4,819	4,853	(1%)
Research grants and contracts	1,227	1,488	(18%)
Other income	1,823	2,768	(34%)
Investment income	943	1,220	(23%)
Donations and endowments	15,455	7,804	98%
<b>Total Income</b>	<b>29,917</b>	<b>23,538</b>	<b>27%</b>

Total group income for the year was £29,917,000, an increase of 27% compared to 2017/18.

Tuition fees increased by 5% due to increases in overseas fees partly offset by a reduction in Home and EU postgraduate fee income. Funding body grants remained broadly flat. Research grants were recognised for a number of new and continuing projects but income was lower as 2017/18 was the final year of funding for a significant project. Other income decreased by 34% mainly due to the Gallery being closed for 11 months of the year for Courtauld Connects building works. Income from donations and endowments increased by 98% due mainly to donations for Courtauld Connects received in the year and released from deferred income, and to a new endowment donation.

## Group Expenditure

### 2019 – How The Courtauld spent its £23,640,000 expenditure



The group's expenditure can be summarised as follows:

	2019 £'000	2018 £'000	Change %
Staff costs	11,036	8,700	27%
Other operating expenses	11,387	9,955	14%
Depreciation, amortisation and impairment	1,183	504	135%
Interest and other finance costs	34	32	6%
<b>Total Expenditure</b>	<b>23,640</b>	<b>19,191</b>	<b>23%</b>

Total group expenditure for the year was £23,640,000, an increase of 23% compared to 2017/18. Staff costs increased by 27% driven by £2,527,000 for the impact of the USS 2017 actuarial valuation as well as pay progression and cost of living increases. Other operating expenses increased by 14%. Within this, Courtauld Connects project costs increased to £1,974,000 (2017/18 £1,011,000) as the project moved into implementation. In addition, £958,000 was incurred for the temporary accommodation for the university during the building works. The costs of operating the Gallery and shop reduced during the closure. The depreciation, amortisation and impairment cost increased due to the charge for the depreciation of the fit-out of the temporary accommodation and the write-off of a number of assets that ceased to be used after the move.

## Gain on investments

	2019 £'000	2018 £'000	Change %
Gain on investments	2,766	2,688	3%

The gain on investments represents the increase in market value for the fixed asset investments and endowment assets in the year. The increase is driven by market performance for the assets held.

## Net Assets

As at 31 July 2019 the group reported net assets of £71,752,000 compared to net assets of £62,589,000 in the prior year. This increase was driven by higher fixed assets of £7,721,000 reflecting the progress with Courtauld Connects and an increase in investments of £5,545,000 from donations to the endowment, investment returns and growth in market value. This was partly offset by a reduction of £3,201,000 in the cash balance, as the donations for Courtauld Connects were utilised on the build, and an increase in the USS pension provision of £2,486,000 mainly due to the impact of the 2017 actuarial valuation.

Net current liabilities as at 31 July 2019 were £1,000, a decrease of £1,593,000 from £1,592,000 net current assets in the prior year. This was due mainly to decreased cash balances for Courtauld Connects partly offset by lower creditors due mainly to lower

levels of deferred income carried forward to future years as the deferred income balance relating to Courtauld Connects in the prior year has been used.

The pension deficit obligation provision increased, as noted above, to £3,687,000. Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. As at 31 July 2019 and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £2,181,000, a decrease of £1,506,000 from the current year end provision.

## Investments

The Courtauld Institute of Art Investments Committee is responsible for oversight of the endowment and fixed asset investments. On behalf of the Governing Board, the Committee establishes investment objectives, asset allocation policy and investment strategies for each asset class within the portfolio. Overall investment objectives and goals are achieved by use of a diversified portfolio consistent with The Courtauld's return goals and risk tolerance. The Committee has developed an asset allocation strategy which sets minimum and maximum allocations for each asset class, a target asset allocation, and specifies benchmarks against which the performance of each asset category can be judged. While the investment horizon of The Courtauld is long-term, asset allocation is discussed at every meeting of the Committee and formally reviewed at least once per year or as a significant change in The Courtauld's operations or financial condition may require.

The Courtauld operates a 50% hedging programme against exposure to the dollar and euro in the endowment and fixed asset investments. At the year end there was a liability on the forward hedging contract of £818,000 (2017/18 £530,000) which has been recognised in the investment assets' value.

The primary function of the endowment is to provide enduring support for the academic mission of The Courtauld by releasing a substantial and reliable flow of funds to the operating budget, unless such a flow is not temporarily required. Maintaining the purchasing power of the Endowment to provide sustained programme support requires a disciplined spending policy to balance the demands of the present against the claims of the future. The Courtauld's spending rule uses a long-term spending rate combined with a smoothing rule that adjusts gradually to changes in endowment market value.

32% of the investment holding is held in cash as at 31 July 2019 (10% at 31 July 2018) reflecting preparation to implement the Governing Board's decision to use available funds as short term financing for Courtauld Connects if required until pledged grants and donations are received.

The movement in the value of the portfolio during the year can be summarised as follows:

	£'000
Balance brought forward at 1 August 2018	
Capital	38,778
Unapplied Total Returns	13,321
	52,099
Additions	3,892
Investment income	929
Increase in market value of investments held	2,766
Disposal/redemption of investments	(2,042)
<b>Balance at 31 July 2019</b>	<b>57,644</b>
Represented by:	
Unit Trusts and Investment Trusts	40,106
Cash balances	18,356
Forward hedging contract	(818)
	<b>57,644</b>

A more detailed analysis of the endowment funds, including a review of the most significant individual funds, can be found at notes 12 and 19 to these financial statements.

## HESA Key Financial Indicators (KFI's)

The nature of our operating structure and the scale of Courtauld Connects in the financial results mean that a number of the KFI's used by HESA to assess performance are not directly relevant to The Courtauld or may not be meaningful. However the following measures in respect of the 2018/19 financial year should be noted:

- The surplus before other gains and losses for the year was 21.0% (2017/18 18.5%) of total income;
- Staff costs for the year represented 36.9% (2017/18 37.0%) of total income;
- Unrestricted reserves were 75.0% (2017/18 71.6%) of total income;
- Total external borrowing as at 31 July 2019 represented just 0.04% (2017/18 1.0%) of total income; and
- The ratio of current assets to current liabilities was 1.0 (2017/18 1.4).

## Principal risks and uncertainties

The framework for identifying and assessing risks, and monitoring the management of those risks is set out in detail in the Governance Statement under the heading 'Risk Management and Internal Controls' (see page 20). The process employed by The Courtauld for managing risk has been strengthened further this year.

The following key risks have been identified by the Senior Management Team:

- Courtauld Connects fails to achieve its objectives;
- Reduction in the student fees from Home/EU Undergraduates is not replaced by government funding;
- Significant reduction/withdrawal of Government core funding in the medium/long term; and
- The Courtauld lacks the capacity and skills to meet new regulatory and legislative requirements.

The robustness of the review process has been independently audited to ensure it reflects best practice in small specialist institutions and regulatory requirements.

## Longer Term Prospects

The Courtauld recognises that, if it is to maintain its position as world leader in the field of art history, it must continue to invest in its estate and facilities in order to maintain and improve its learning, teaching and research environment. In challenging economic conditions, a key objective of The Courtauld is to reduce its reliance on government funding so as to ensure that its future remains in its own hands.

Courtauld Connects is a major priority and will radically transform access to The Courtauld and its collections through a programme of physical redevelopment and organisational change. In May 2016, the news that the application to the Heritage Lottery Fund for Stage 1 approval had been successful represented a major step towards the realisation of this project and the 2018/19 year saw the project move into delivery as the Gallery closed and the building work commenced.

Courtauld Connects, and the realisation of the many benefits it will bring, is at the heart of the Strategic Plan.

The Courtauld's endowment fund plays a vital role in ensuring our on-going financial sustainability and we are therefore mindful of the need to balance releases from the fund to offset revenue and capital expenditure with the need to grow the fund to support the institute in the longer term. As a result, the Courtauld operates a policy of restricting releases to meet operational need to protect the long-term value of the fund. Although this remains the long term policy, the Governing Board took the decision to use available investment funds as short term financing during the Courtauld Connects project.

Approved by the Board of Directors and signed on behalf of the Board:



**Robert Thorpe**  
Company Secretary



# Directors' Report

## Directors and Officers

### Governing Board

The Courtauld Institute of Art is a company limited by guarantee (company no. 4464432) and an exempt charity for the purposes of the Charities Act 1993 under the exempt charities order 2002 No. 1626. As such the members of the Governing Board are both company directors and charity trustees. The members of the Board who served during the year and up to the date of signing these financial statements were:

### Ex officio

Professor Deborah Swallow <sup>1,5,6</sup>  
(*Märit Rausing Director,  
The Courtauld Institute of Art*)  
Professor James Cuno <sup>4</sup>  
(*President and CEO, The J Paul Getty Trust*)  
Mr Andrew Adcock  
(*Chairman, Samuel Courtauld Trust until  
January 2019*)  
Mr Gus Teasdale (*President, The Students'  
Union*) (*until 31 July 2019*)  
Ms Charlotte Osborne  
(*President, The Students' Union*)  
(*from 1 August 2019*)<sup>1,2,7</sup>

### Appointed Members

Lord Browne of Madingley <sup>1,3</sup>  
Professor Sir Leszek Borysiewicz  
(*From January 2019*)<sup>3</sup>  
Mr Peter Budd <sup>1,7</sup>  
Ms Charmian Caines  
(*From January 2019*)<sup>2,8,9,11</sup>  
Mr Nicholas Clarry  
(*From January 2019*)<sup>1,2,4,7,10</sup>  
Mr Edward Dolman <sup>8</sup>  
Dr Gabriele Finaldi <sup>8</sup>  
Dr John Garcia <sup>1,10</sup>  
Mr James Hughes-Hallett (*Until July 2019*)<sup>2</sup>  
Ms Daniella Luxembourg (*Until July 2019*)  
Ms Sally Osman (*From July 2019*)<sup>3,5,9</sup>  
Mr Franck Petitgas (*From January 2019*)<sup>1,3,7</sup>  
Dame Julia Peyton-Jones  
(*From January 2019*)<sup>1,8</sup>  
Ms Johanna Waterous (*From July 2019*)<sup>1,9,11</sup>

### Members elected by and from the Academic Staff

Dr Sussan Babaie <sup>5,7,10</sup>  
Ms Pippa Balch <sup>7</sup>  
Professor Katie Scott  
(*Until July 2019*)<sup>1,2,5,8</sup>

### Members elected by and from staff other than the Academic Staff

Ms Caireen McGinn  
Mr Anthony Tyrrell  
(*From November 2018*)<sup>7,10</sup>

### Members elected from the staff of The Courtauld Gallery

Dr Karen Serres <sup>2,8</sup>

### Senior Management Team

The Senior Management Team (SMT) is responsible for the day-to-day operation of the company. The members of the SMT are as follows:

Professor Deborah Swallow,  
Märit Rausing Director  
Professor Antony Eastmond,  
Dean and Deputy Director  
Dr Alixe Bovey, Head of Research  
Dr Stephanie Hall,  
Project Director, Courtauld Connects  
Dr Kary Kelly, Director of Development  
Mr Michael Sherry,  
Head of Marketing and Communications  
(*Until February 2019*)  
Mr Robert Thorpe,  
Director of Operations  
Dr Ernst Vegelin,  
Head of The Courtauld Gallery

### Disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 14.

### Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report has been prepared in accordance with the Accounting Standards Board's 'Reporting Statement: Operating and Financial Review' (January 2006).

Approved by the Board of Directors and signed on behalf of the Board:



**Robert Thorpe**  
Company Secretary

Registered address:  
The Courtauld Institute of Art  
Somerset House  
Strand  
London WC2R 0RN

1. Member of the Chairman's Committee
2. Member of the Audit & Risk Committee
3. Member of the Governance, Nominations & Remuneration Committee
4. Member of the Investments Committee

5. Member of the Joint Honours Committee
6. Member of the Academic Promotions Committee
7. Member of the Courtauld Connects Steering Group
8. Member of the Exhibitions & Gallery sub-Committee

9. Member of the Commercial & Marketing sub-Committee
10. Member of the Finance & Operations sub-Committee
11. Member of the Ethics sub-Committee



**FEST 19**

**RES | FEST 19**

**RES | FEST 19**

**RES | FEST 19**

**RES | FEST 19**

**RES | FEST 19**

**RES | FEST 19**

**RES | FEST**

**RES | FEST 19**



# Governance Statement

## Responsibilities of the Governing Board and Structure of Corporate Governance

The Courtauld Institute of Art is committed to the highest standards of governance and continues to review its processes and effectiveness to refine its governance arrangements. In developing its approach, the Governing Board has confirmed its commitment to the Committee of University Chairs (CUC) Governance Code of Practice ('the Code').

Throughout 2018/19, The Courtauld has been implementing a refreshed governance structure, following an independent review of governance to improve and streamline governance arrangements. The revised structure also aims to address number of areas where controls could be strengthened further, as identified in a review of compliance against the Code that was undertaken in the 2017/18 academic year, in accordance with the Code's requirement for a review every four years. Whilst the Governing Board complied with the mandatory conditions of the Code, the following areas would be improved as part of the new structure:

- Strengthening monitoring of all aspects of the institution's sustainability through specific, agreed Key Performance Indicators (KPIs) (3.3)
- A review of the delegated authority of accountable officer (3.6)
- To formalise reporting arrangements of the Remuneration Committee to the Governing Board and refresh the Remuneration Committee terms of reference to refer to the requirements of the Code and the CUC Higher Education Senior Staff Remuneration Code. (3.15/6)
- To further develop reporting arrangements regarding equality and diversity (6.4)
- To improve the induction process for all members of the Governing Board (7.5)

A review of the effectiveness of the new structure will be taken in Spring 2021.

In addition to the CUC guide, The Courtauld is guided by the Office for Students and the British Universities Finance Directors Group (BUFDG).

## Overview

The Courtauld is committed to following best practice in all aspects of corporate governance. This summary describes the manner in which The Courtauld has applied the principles set out in the Audit Code of Practice in the past year. Its purpose is to help the reader of the accounts understand how the principles have been applied.

The Courtauld's Governing Board is ultimately responsible for the Institute's system of internal control and for reviewing its effectiveness.

The system of internal control is based on a developing process designed:

- to identify the principal risks to the achievement of policies, aims and objectives;
- to evaluate the nature and extent of those risks;
- to manage them effectively, efficiently and economically; and
- to prevent and detect fraud and other irregularities.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. This process has been in place for the year ended 31 July 2019 and up to the date of approval of the financial statements, and accords with Office for Students guidance.

## Governing Board and its Committees

The Governing Board meets three times a year and has several Committees, including a number of new Committees and Committees with extended terms of reference following the implementation of proposals from the independent review of Governance.

The new Committees and Committees with expanded terms of reference are identified below with an asterisk.

The Committees are as follows: Academic Promotions Committee, Audit & Risk Committee\*, Chairman's Committee\*, Governance, Nominations and Remuneration Committee\*, Investments Committee and the Joint Honours Committee\*. All of these Committees are formally constituted with terms of reference. In all cases, except the Academic Promotions Committee, the majority of the membership is lay and each of the Committees have a lay Chair.

The Courtauld also has an **Academic Board** which is the institute body set up in accordance with Article 19 of the Articles of Association of The Courtauld Institute of Art. Subject to the responsibilities of the Governing Board and of the Director, the Academic Board shall be responsible for all matters relating to the teaching, courses, scholarship and research of The Courtauld; those relating to the development of the academic activities of The Courtauld and the resources needed for them; and advising the Director and the Governing Board thereon having regard at all times to the educational character and objectives of The Courtauld, as determined by the Governing Board.

The **Academic Promotions Committee** meets twice a year and is responsible for the consideration of applications for promotion by Academic staff and recommendation to the Governing Board for approval of any such promotions they consider to be appropriate.

The **Audit & Risk Committee\*** meets twice a year and reviews the arrangements for the identification and management of risks; advises the Governing Board on the appointment or dismissal of the internal and external auditors; reviews the effectiveness of internal controls; receives reports from the National Audit Office and/or Office for Students; considers audit reports from the internal and external auditors and management's response to those reports; advises the Governing Board on accounting policies and reviews the Institute's annual report and accounts, before their submission to the Governing Board. The internal auditors and external auditors attend every meeting and, following the meeting which considers the annual accounts, the external auditors hold a private discussion with the members of the Committee in the absence of the officers.

The **Chairman's Committee\*** has the primary purpose of facilitating the effective operation of the Governing Board by reviewing and shaping proposals and recommendations to the Governing Board, and exercising the powers of the Governing Board in relation to less critical matters. It does this through regular reporting on performance against strategic and financial objectives, key challenges and developments and insight from other stakeholders. The Committee will meet regularly in order to review proposals to the Governing Board, assess options and provide recommendations to the Governing Board. The Chairman's Committee will also meet when required to address matters which are either urgent or which the Chair determines would be best addressed outside regular Governing Board meetings.

The Chairman's Committee is supported by the following sub-Committees, which are advisory and have no delegated authority but serve to make reports and recommendations:

- A Finance & Operations Committee reviews and advises the Chairman's Committee on the financial performance of The Courtauld, budgetary and financial forecasting processes, and capital management.
- An Ethics Committee reviews and advises the Chairman's Committee on the ethical and reputational matters relating to The Courtauld, including whistleblowing, student matters, gift acceptance and research ethics. The Ethics Committee is also responsible for overseeing the Appeals process for the Research Excellence Framework.

- A Commercial & Marketing Committee reviews and advises the Chairman's Committee on commercial aspects of The Courtauld's operations and all aspects of its brand and promotion.
- An Exhibitions & Gallery Committee reviews and advises the Chairman's Committee on all strategic aspects of the Gallery, including the stewardship of the collection, exhibitions and displays, as well as the Gallery's engagement with core areas of The Courtauld's other activities.

The **Governance, Nomination and Remuneration Committee\*** meets at least annually and is responsible for reviewing all matters relating to remuneration and governance, including the composition and succession of the Governing Board and key members of senior management (other than the Director). The Committee makes recommendations to the Board on such matters including the remuneration of the Director and Director of Operations (Company Secretary).

The **Investments Committee** meets three times a year and is responsible for the general strategy and policy on investments held or made by or on behalf of The Courtauld and deals with all matters relating to the implementation of such strategy and policy. It reviews the Investment strategy, policy and performance at least annually, and it appoints any investment advisers and managers on such terms as the Committee shall think fit.

The **Joint Honours Committee\*** meets at least annually to request, collect and consider nominations for the award for Honorary Fellows, Emeritus Professorship and the Honorary Doctorate of the University of London by the Courtauld Institute of Art, and to send suitable recommendations for all such awards to the Governing Board for approval.

## Risk Management and Internal Controls

The Governing Board has a responsibility to ensure that The Courtauld's risk management strategy is effective throughout The Courtauld and that it is fully compliant with regulatory requirements relating to risk. As highlighted in the Director of Operations' Strategic Report, there has been continuing review and improvement of the Risk Management framework, which was established in September 2016. The Courtauld Governing Board has continued to take the following actions in relation to this:

- maintained a risk management policy for the Institute, setting out principles, processes, responsibilities and key risk areas;
- reviewed the strategic risk register, setting out key risks, including business, operational, compliance and financial risks, and how they are to be managed;
- received reports from the Audit & Risk Committee on the processes governing the identification and management of risk and extended the Committee's remit in the renewed structure as the Audit & Risk Committee to further strengthen its review of risk management;
- assigned executive responsibility to the Director and the SMT;
- considered the actions taken to mitigate the risks identified;
- ensured consistency in the level of risk assessed, among risks having the same probability/impact assessment; and
- independently audited the process for managing risk to ensure that it was in line with best practice in small specialist institutions.

The risk management policy sets out a clear framework for:

- identifying and assessing risks, as part of the corporate planning process;
- monitoring the management of risks; and
- reviewing the process.

The Board has confirmed the Audit & Risk Committee's role regarding oversight of the risk management process, clearly establishing the committee's responsibilities regarding risk and ensuring clarity between:

- the suitability of the processes in place (an Audit & Risk Committee responsibility); and
- the effectiveness of the identification and management of risk per se (ultimately a Board responsibility).



# Statement of Governing Board's Responsibilities in respect of the Strategic Report and the Financial Statements

The Governing Board is responsible for preparing the Annual Report and the financial statements in accordance with the requirements of the Office for Students' Terms and Conditions of Funding for Higher Education Institutions and Research England's Terms and Conditions of Research England Grant and applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent Institute financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2015 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent Institute and of their income and expenditure, gains and losses and changes in reserves for that period. In preparing each of the group and parent Institute financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent Institute'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 group or the parent Institute or to cease operations, or have no realistic alternative but to do so.

The Governing Board is responsible for keeping adequate accounting records that are sufficient to show and explain the parent Institute's transactions and disclose with reasonable accuracy at any time the financial position of the parent Institute and enable them to ensure that its financial statements comply with the Companies Act 2006. 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 group and to prevent and detect fraud and other irregularities.

The Governing Board are also responsible for ensuring that:

- funds from whatever source administered by the Group or the Institute for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;
- ensuring that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources; and
- securing the economical, efficient and effective management of the Institute's resources and expenditure.

The Governing Board is responsible for the maintenance and integrity of the corporate and financial information included on the Institute's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# Independent Auditor's Report to Governing Board of The Courtauld Institute of Art

## Report on the audit of the Financial Statements

### Opinion

We have audited the financial statements of The Courtauld Institute of Art ("the Institute") for the year ended 31 July 2019 which comprise the Consolidated and Institute Statement of Comprehensive Income and Expenditure, Consolidated and Institute Statement of Changes in Reserves, Consolidated and Institute Balance Sheet, and the Consolidated Cash Flow Statement, and related notes, including the accounting policies in the Statement of Principal Accounting Policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Institute's affairs as at 31 July 2019, and of the Group's and the Institute's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, 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 with the 2015 *Statement of Recommended Practice – Accounting for Further and Higher Education*;
- meet the requirements of the Accounts Direction dated 19 June 2018 issued by the Office for Students other than where the Institute has applied the allowance to early adopt the requirements of paragraph 12(d) of the Accounts Direction for periods beginning on or after 1 August 2019 as published on 25 October 2019; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group 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.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures, and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Institute's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the Institute's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

The Governing Board has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Institute or to cease their operations, and as they have concluded that the Group and the Institute'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 their 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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Governing Board's conclusions, we considered the inherent risks to the Group's business model, including the impact of Brexit, and analysed how those risks might affect the Group and the University's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the University will continue in operation.

### Other information

The Governing Board is responsible for the other information, which comprises the Strategic Report and the Governance Statement. 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. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic report and the Governance Statement, which together constitute the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.



## Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Institute, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Institute's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## Governing Board responsibilities

As explained more fully in their statement set out on page 21, the Governing Board (who are the Directors of the Institute company for the purposes of company law) is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Institute'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 it either intends to liquidate the Group or the parent University or to cease operations, or has 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](http://www.frc.org.uk/auditorsresponsibilities).

## Report on other legal and regulatory requirements

We are required to report on the following matters under the Office for Students and Research England Audit Codes of Practice issued under the Further and Higher Education Act 1992.

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them.

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

This report is made solely to the Governing Board, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the Governing Board 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 Institute and the Governing Board for our audit work, for this report, or for the opinions we have formed.



**Fleur Nieboer (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London E14 5GL

28 November 2019

# Consolidated and Institute Statement of Comprehensive Income and Expenditure

Year ended 31 July 2019

		Year ended 31 July 2019		Year ended 31 July 2018	
	Notes	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
<b>Income</b>					
Tuition fees and education contracts	1	5,650	5,650	5,405	5,405
Funding body grants	2	4,819	4,819	4,853	4,853
Research grants and contracts	3	1,227	1,227	1,488	1,488
Other income	4	1,823	1,757	2,768	2,196
Investment income	5	943	943	1,220	1,220
<b>Total income before endowments and donations</b>		<b>14,462</b>	<b>14,396</b>	<b>15,734</b>	<b>15,162</b>
Donations and endowments	6	15,455	15,455	7,804	7,804
<b>Total income</b>		<b>29,917</b>	<b>29,851</b>	<b>23,538</b>	<b>22,966</b>
<b>Expenditure</b>					
Staff costs	7	11,036	10,994	8,700	8,295
Other operating expenses		11,387	11,336	9,955	9,797
Depreciation, amortisation and impairment	10/11	1,183	1,183	504	483
Interest and other finance costs	8	34	34	32	32
<b>Total expenditure</b>	<b>9</b>	<b>23,640</b>	<b>23,547</b>	<b>19,191</b>	<b>18,607</b>
<b>Surplus before other gains losses and share of operating surplus/deficit of joint ventures and associates</b>		<b>6,277</b>	<b>6,304</b>	<b>4,347</b>	<b>4,359</b>
Gain on investments		2,766	2,766	2,688	2,688
<b>Surplus before tax</b>		<b>9,043</b>	<b>9,070</b>	<b>7,035</b>	<b>7,047</b>
Taxation		6	-	(1)	-
<b>Surplus for the year</b>		<b>9,049</b>	<b>9,070</b>	<b>7,034</b>	<b>7,047</b>
Revaluation of heritage assets		114	114	261	261
<b>Total comprehensive income for the year</b>		<b>9,163</b>	<b>9,184</b>	<b>7,295</b>	<b>7,308</b>
Represented by:					
Endowment comprehensive income for the year		5,160	5,160	2,091	2,091
Restricted comprehensive income for the year		7,206	7,206	5,203	5,203
Unrestricted comprehensive income for the year		(3,317)	(3,296)	(260)	(247)
Revaluation reserve comprehensive income for the year		114	114	261	261
		<b>9,163</b>	<b>9,184</b>	<b>7,295</b>	<b>7,308</b>
<b>Surplus for the year attributable to:</b>					
Non controlling interest		-	-	-	-
Institute		9,049	9,070	7,034	7,047
<b>Total Comprehensive income for the year attributable to:</b>					
Non controlling interest		-	-	-	-
Institute		9,163	9,184	7,295	7,308

All items of income and expenditure relate to continuing activities



# Consolidated and Institute Statement of Changes in Reserves

Year ended 31 July 2019

Consolidated	Note	Income and expenditure account			Revaluation reserve	Total excluding non controlling interest	Non controlling interest	Total
		<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>				
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 August 2017</b>		<b>37,631</b>	<b>3,625</b>	<b>11,809</b>	<b>2,229</b>	<b>55,294</b>	-	<b>55,294</b>
Surplus/(deficit) from the income and expenditure statement		2,091	5,203	(260)	-	7,034	-	7,034
Revaluation of heritage assets in year		-	-	-	261	261	-	261
Release of restricted funds spent in year		-	(2,820)	2,820	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>2,091</b>	<b>2,383</b>	<b>2,560</b>	<b>261</b>	<b>7,295</b>	-	<b>7,295</b>
<b>Balance at 31 July 2018</b>		<b>39,722</b>	<b>6,008</b>	<b>14,369</b>	<b>2,490</b>	<b>62,589</b>	-	<b>62,589</b>
Surplus/(deficit) from the income and expenditure statement		5,160	7,206	(3,317)	-	9,049	-	9,049
Revaluation of heritage assets in year		-	-	-	114	114	-	114
Release of restricted funds spent in year	20	-	(8,777)	8,777	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>5,160</b>	<b>(1,571)</b>	<b>5,460</b>	<b>114</b>	<b>9,163</b>	-	<b>9,163</b>
<b>Balance at 31 July 2019</b>		<b>44,882</b>	<b>4,437</b>	<b>19,829</b>	<b>2,604</b>	<b>71,752</b>	-	<b>71,752</b>

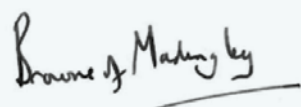
Institute	Note	Income and expenditure account			Revaluation reserve	Total excluding non controlling interest	Non controlling interest	Total
		<i>Endowment</i>	<i>Restricted</i>	<i>Unrestricted</i>				
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Restated balance at 1 August 2017</b>		<b>37,631</b>	<b>3,625</b>	<b>11,705</b>	<b>2,229</b>	<b>55,190</b>	-	<b>55,190</b>
Surplus/(deficit) from the income and expenditure statement		2,091	5,203	(247)	-	7,047	-	7,047
Revaluation of heritage assets in year		-	-	-	261	261	-	261
Release of restricted funds spent in year		-	(2,820)	2,820	-	-	-	-
		2,091	2,383	2,537	261	7,308	-	7,308
<b>Balance at 31 July 2018</b>		<b>39,722</b>	<b>6,008</b>	<b>14,278</b>	<b>2,490</b>	<b>62,498</b>	-	<b>62,498</b>
Surplus/(deficit) from the income and expenditure statement		5,160	7,206	(3,296)	-	9,070	-	9,070
Revaluation of heritage assets in year		-	-	-	114	114	-	114
Release of restricted funds spent in year	20	-	(8,777)	8,777	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>5,160</b>	<b>(1,571)</b>	<b>5,481</b>	<b>114</b>	<b>9,184</b>	-	<b>9,184</b>
<b>Balance at 31 July 2019</b>		<b>44,882</b>	<b>4,437</b>	<b>19,759</b>	<b>2,604</b>	<b>71,682</b>	-	<b>71,682</b>

# Consolidated and Institute Balance Sheet

	Notes	As at 31 July 2019		As at 31 July 2018	
		Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
<b>Non-current assets</b>					
Intangible assets	10	59	59	114	114
Fixed assets	11	13,953	13,953	6,232	6,232
Heritage assets	11	3,907	3,907	3,793	3,793
Investments	12	57,644	57,644	52,099	52,099
		<b>75,563</b>	<b>75,563</b>	<b>62,238</b>	<b>62,238</b>
<b>Current assets</b>					
Stock	13	-	-	40	-
Trade and other receivables	14	1,326	1,326	926	918
Cash and cash equivalents	21	1,887	1,813	5,088	4,982
		<b>3,213</b>	<b>3,139</b>	<b>6,054</b>	<b>5,900</b>
Less: Creditors: amounts falling due within one year	15	(3,214)	(3,210)	(4,462)	(4,427)
<b>Net current (liabilities)/assets</b>		<b>(1)</b>	<b>(71)</b>	<b>1,592</b>	<b>1,473</b>
<b>Total assets less current liabilities</b>		<b>75,562</b>	<b>75,492</b>	<b>63,830</b>	<b>63,711</b>
Creditors: amounts falling due after more than one year	16	(32)	(32)	(12)	(12)
<b>Provisions</b>					
Pension provisions	17	(3,687)	(3,687)	(1,201)	(1,201)
Other provisions	17	(91)	(91)	(28)	-
<b>Total net assets</b>		<b>71,752</b>	<b>71,682</b>	<b>62,589</b>	<b>62,498</b>
<b>Restricted Reserves</b>					
Income and expenditure reserve – endowment reserve	19	44,882	44,882	39,722	39,722
Income and expenditure reserve – restricted reserve	20	4,437	4,437	6,008	6,008
<b>Unrestricted Reserves</b>					
Income and expenditure reserve – unrestricted		19,829	19,759	14,369	14,278
Revaluation reserve		2,604	2,604	2,490	2,490
<b>Total Reserves</b>		<b>71,752</b>	<b>71,682</b>	<b>62,589</b>	<b>62,498</b>

The notes on pages 33 to 47 form part of the financial statements.

The financial statements of The Courtauld Institute of Art, registered number 04464432, were approved by the Governing Board on 27 November 2019 and were signed on its behalf by



The Lord Browne of Madingley  
Chairman of the Governing Board



Professor Deborah Anne Swallow  
Märit Rausing Director



# Consolidated Cash Flow Statement

Year ended 31 July 2019

	Notes	Year ended 31 July 2019 £'000	Year ended 31 July 2018 £'000
<b>Cash flow from operating activities</b>			
Surplus for the year		<b>9,049</b>	<b>7,034</b>
<b>Adjustment for non-cash items</b>			
Depreciation, amortisation and impairment	10/11	1,183	504
Decrease/(increase) in stock	13	40	55
Decrease/(increase) in debtors	14	(400)	(59)
Increase/(decrease) in creditors	15	(1,072)	1,511
Increase/(decrease) in pension provision	17	2,459	(135)
Increase/(decrease) in other provisions	17	63	23
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(943)	(1,220)
Interest payable	8	34	32
Gain on investments		(2,766)	(2,688)
New endowment donations	12	(3,892)	(600)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>3,755</b>	<b>4,457</b>
<b>Cash flows from investing activities</b>			
Withdrawal of investments		2,042	1,939
Investment income	5	14	7
Payments made to acquire intangible assets	10	(18)	(11)
Payments made to acquire fixed assets	11	(8,831)	(2,372)
		<b>(6,793)</b>	<b>(437)</b>
<b>Cash flows from financing activities</b>			
Interest paid	8	(7)	(8)
Repayments of amounts borrowed	18	(212)	(212)
Capital element of finance lease payments	24	56	(25)
		<b>(163)</b>	<b>(245)</b>
Increase/(decrease) in cash and cash equivalents in the year		(3,201)	3,775
<b>Cash and cash equivalents at beginning of the year</b>	21	<b>5,088</b>	<b>1,313</b>
<b>Cash and cash equivalents at end of the year</b>	21	<b>1,887</b>	<b>5,088</b>

# Statement of Principal Accounting Policies

Year ended 31 July 2019

## 1. Basis of preparation

The Courtauld Institute of Art is a company registered in England and Wales and the financial statements have been properly prepared in accordance with the provisions of the Companies Act.

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015 and in accordance with Financial Reporting Standards (FRS) 102. The Institute is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102. The financial statements are prepared in accordance with the historical cost convention.

## 2. Basis of consolidation

The consolidated financial statements include the Institute and all its subsidiaries for the financial year to 31 July 2019. Intra-group transactions are eliminated on consolidation.

The Courtauld has a wholly owned subsidiary undertaking, SCT Enterprises Limited which is a company registered in England and Wales. Its principal activity is the sale of items related to The Courtauld Gallery and its collections. The value of The Courtauld's investment in this subsidiary is £2. The financial statements of the trading subsidiary, SCT Enterprises Limited, have been properly prepared in accordance with the provisions of the Companies Act.

The Courtauld Institute of Art Fund (CIAF) is a charity registered under the Charities Act 2011, number 288509. Its principal activity is to raise funds for the benefit of the Courtauld Institute of Art. In accordance with Section 97 of the Act, CIAF is treated as a special trust for accounting purposes and its activities and results have therefore been aggregated into the Institute's results for the year. As required by the SORP, reserves held by the CIA Fund at the Balance Sheet date are treated as either endowments (in the case of restricted reserves in CIAF) or restricted reserves (in the case of unrestricted reserves in CIAF) within the institute's accounts. The value of The Courtauld's investment in the CIAF is £nil.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the Institute does not exert control or dominant influence over policy decisions.

## 3. Going Concern

The company's business activities and plans for the future are set out in the Strategic Report on page 14. The directors have considered these plans and the budget for the year ahead in their assessment of adopting the going concern basis for the preparation of these financial statements.

In making this assessment the directors have produced future forecasts which show that the company will be able to manage its working capital and existing resources to enable it to meet its liabilities as they fall due. The directors acknowledge that the impact of the current economic environment is uncertain, and are managing this uncertainty and its impact on the forecasts on a regular basis.

Based on these factors, the directors have prepared these financial statements on the going concern basis.

## 4. Revenue recognition

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount. Bursaries and scholarships are accounted for gross as expenditure and not deducted from income.

Investment income is credited to the statement of income and expenditure on a receivable basis.

Funds the Institute receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the Institute where the Institute is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Government revenue grants including funding council block grant and research grants are recognised in income over the periods in which the Institute recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non government sources are recognised in income when the Institute is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

### Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the Institute is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the Institute is entitled to the funds.

There are four main types of donations and endowments identified within reserves:

1. Restricted donations – the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income.
3. Restricted expendable endowments – the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the Institute has the power to use the capital.
4. Restricted permanent endowments – the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.





## 4. Revenue recognition (continued)

Permanent Endowments are invested on a total return basis. Returns on investments are credited to the income and expenditure account to the extent that they have been applied for the purposes intended by the donor. Returns beyond this amount are retained within the unapplied total return fund as part of the endowment until such time as they are applied by the Institute and a transfer is made to the income and expenditure account.

Expendable endowments are invested alongside permanent endowments. Returns on investments are credited to the income and expenditure account in full with any unspent balances being transferred back to accumulated income within the endowment fund.

## 5. Capital Grants

Capital grants are recognised in income when the Institute is entitled to the funds subject to any performance related conditions being met.

## 6. Foreign currency translation

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus or Deficit.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

## 7. Pension Schemes

The Courtauld Institute Art participates in the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL).

The USS was a defined benefit only pension scheme which was contracted out of the State Second Pension (S2P) until 31 March 2016. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

SAUL is a centralised defined benefit scheme and was contracted out of the State Second Pension until 31 March 2016. SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education. Pension benefits currently build up on either a final salary or a care average revalued earnings (CARE) basis. Following a consultation with members, the SAUL final salary section closed from 31 March 2016 and members build up benefits on a CARE basis from 1 April 2016.

The USS is a multi-employer scheme where the assets are not attributed to individual employers and a scheme-wide contribution rate is set. The employer is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. It therefore accounts for the scheme as if it were a defined contribution scheme as required by Section 28 of FRS 102 'Employee benefits'.

The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since The Courtauld has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit. It recognises a liability for the contributions payable that arise from the agreement to the

extent that they relate to the deficit and the resulting expense in the income and expenditure account.

SAUL is also a multi-employer scheme and it is not possible to identify an individual employer's underlying assets and liabilities so it is also treated as if it were a defined contribution scheme. The Courtauld Institute of Art is not expected to be liable to SAUL for any other current participating employers' obligations under the Rules of SAUL, but, in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

As there was a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by The Courtauld.

SCT Enterprises Limited contributed to a defined contribution scheme on behalf of its employees. In accordance with FRS102, contributions to these schemes are included as expenditure in the period in which they are payable.

## 8. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the Institute. Any unused benefits are accrued and measured as the additional amount The Courtauld expects to pay as a result of the unused entitlement.

## 9. Intangible assets

Intangible assets comprise software and digital assets and are stated at historical cost. Intangible assets are amortised over 3 years representing the remaining estimated economic life of the assets.

## 10. Tangible fixed assets

### a) Land and buildings

Land and buildings are stated at historical cost. Costs incurred in relation to a tangible fixed asset, after its initial purchase or production, are capitalised to the extent that they increase the expected future benefits to the institution from the existing tangible fixed asset beyond its previously assessed standard of performance; the cost of any such enhancements are added to the gross carrying amount of the tangible fixed asset concerned.

Leasehold Land and Buildings – 10% per annum from the year of acquisition.

A review for impairment of a fixed asset is carried out annually for residential buildings and otherwise if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

### b) Equipment

Equipment costing less than £2,500 per individual item or set of similar items is written off to the income and expenditure account in the year of acquisition. All other equipment is capitalised at cost. Capitalised equipment is depreciated over its useful economic life as follows:

- General equipment – 10% per annum from the year of acquisition
- General equipment in temporary accommodation during Courtauld Connects – 33% per annum from the year of acquisition
- Computer equipment – 33% per annum from the year of acquisition

### c) Rare books and artefacts

Rare books and artefacts are capitalised at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Rare books are fully accessible by users of The Courtauld's book library and a detailed catalogue of the collection was completed



in 2014. The last valuation of the collection took place in 2014, and future valuations will then take place every ten years. The Harris collection of textiles was valued in 2018 and is included at valuation from this date. The Conway early photographic collection was valued in 2019 and is included at valuation from this date. The assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. Donated works of art are included at valuation as at the date of donation.

There are further works of art and antique furniture that are not held on the Institute's balance sheet as, given the nature of the assets and their age, a reliable valuation was not available for incorporation into the accounts. Therefore they have not been included in the assets shown in the tangible fixed assets note.

## 11. Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

## 12. Finance leases

Leases in which the Institute assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

## 13. Investments

Investments that are not listed on a recognised stock exchange are carried at fair value at the balance sheet date. Listed assets are included in the balance sheet at market value.

Investments in subsidiaries are carried at cost less impairment in the Institute's accounts.

Current asset investments are held at fair value with movements recognised in the Surplus or Deficit.

## 14. Stocks

Stocks are stated at the lower of their cost and net realisable value. Cost is determined on a first in first out basis.

## 15. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

## 16. 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.

## 17. Taxation

The Institute is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the Institute is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The Institute receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the cost of such inputs. Any irrecoverable VAT allocated to tangible fixed assets is included in their cost.

SCT Enterprises Limited is subject to corporation tax and Value Added Tax in the same way as any commercial organisation and current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are more likely than not to be recovered. Deferred tax assets and liabilities are not discounted.

## 18. Provisions

Provisions are recognised in the financial statements when:

- (a) the Institute has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the Institute a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Institute. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the Institute a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Institute.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

## 19. Derivatives

Derivatives are held on the balance sheet at fair value with movements in fair value recorded in the Surplus or Deficit.

## 20. Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the Institute, are held as a permanently restricted fund which the Institute must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the Institute is restricted in the use of these funds.



The Courtauld Gallery (pictured here) closed in September 2018 whilst the Courtauld Connects capital project is underway. Parts of the collection have been available to view at the National Gallery along with other regional partners.



# Notes to the Financial Statements for the year ended 31 July 2019

## 1. Tuition fees and education contracts

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
UK Higher Education students	2,195	2,195	2,508	2,508
European Union (EU) (excluding UK) students	923	923	854	854
Non-EU students	2,452	2,452	1,993	1,993
Other education income	80	80	50	50
	5,650	5,650	5,405	5,405

## 2. Funding body grants

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
HEFCE, OfS and Research England recurrent grants	4,702	4,702	4,701	4,701
HEFCE, OfS and Research England capital grants	117	117	152	152
	4,819	4,819	4,853	4,853

## 3. Research grants and contracts

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Research councils	442	442	417	417
UK based charities	379	379	429	429
EU Charity	65	65	197	197
Other grants and contracts	341	341	445	445
	1,227	1,227	1,488	1,488

## 4. Other income

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
The Courtauld Gallery – admissions and events	60	60	711	711
SCT Enterprises Ltd (The Gallery Shop)	79	13	650	78
Residences and accommodation	691	691	697	697
Other income	993	993	710	710
	1,823	1,757	2,768	2,196

## 5. Investment Income

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Investment income on endowments	712	712	923	923
Investment income on general reserves	217	217	290	290
Other investment income	14	14	7	7
	943	943	1,220	1,220

## 6. Donations and endowments

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
New endowments	3,892	3,892	600	600
Donations with restrictions	7,996	7,996	5,743	5,743
Unrestricted donations	3,567	3,567	1,461	1,461
	15,455	15,455	7,804	7,804

## 7. Staff costs

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Staff Costs :				
Salaries	6,751	6,713	7,102	6,759
Social security costs	777	777	749	723
Movement on USS and SAUL provision	2,527	2,527	(12)	(12)
Other pension costs	981	977	861	825
	11,036	10,994	8,700	8,295

The above table includes charges for redundancy payments and payments under compromise agreements on exit of £78,708 for 3 staff (consolidated and Institute) (2018: £181,317 for 12 staff (consolidated) and £129,160 for 4 staff (Institute)) all of which was paid during the year (2018: £141,655 for 10 staff (consolidated) and £119,497 for 3 staff (Institute)) was paid after the year end).

Emoluments of the Director:

	£'000	£'000	£'000	£'000
Salary	195	195	195	195
	195	195	195	195

The Courtauld Institute of Art is a world-leading centre for the study of art, conservation and curating. It delivers undergraduate and post graduate courses and undertakes internationally important research in its field. It also houses the Courtauld Gallery which, in particular, curates and exhibits an internationally important art collection including the UK's most important collection of Impressionist and post-Impressionist paintings and works on paper. The Director has primary responsibility for the success and long-term sustainability of all these activities, including securing the philanthropic financial support required to undertake them effectively. She has also had specific responsibility in recent years for the fundraising and the overall project management of the "Courtauld Connects" project, which will transform the physical infrastructure and capacity and capabilities of the organisation. Taken as a whole, these represent a role for which the remuneration package is more than justified.

The relationship between the Director's remuneration and that for all other employees, expressed as a pay multiple, is set out below.

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated	Institute	Consolidated	Institute
Director's basic salary as a multiple of the median pay of staff on a full-time equivalent basis	5.17	5.17	6.22	6.05
Director's total remuneration as a multiple of the median total remuneration of staff on a full-time equivalent basis	4.95	4.95	5.57	5.42

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated No.	Institute No.	Consolidated No.	Institute No.
Remuneration of higher paid staff, including the Director, excluding employer's pension contributions on a full-time equivalent basis was:				
£115,000 to £119,999	1	1	-	-
£145,000 to £149,999	1	1	1	1
£190,000 to £194,999	1	1	1	1
	3	3	2	2

Average staff numbers by major category on a full-time equivalent basis:	No.	No.	No.	No.
Teaching departments	36	36	37	37
Gallery & Libraries	24	24	26	26
Administration and central services	71	71	61	61
Premises	3	3	3	3
Other	-	-	13	-
	134	134	140	127

### Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute. Staff costs include compensation paid to key management personnel.

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Key management personnel compensation	1,230	1,230	980	980

## 8. Interest and other finance costs

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Loan interest	7	7	8	8
Net charge on pension scheme	27	27	24	24
	34	34	32	32



## 9. Analysis of total expenditure by activity

	Year ended 31 July 2019		Year ended 31 July 2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Teaching departments	5,574	5,574	5,481	5,481
Academic information services	684	684	828	828
Gallery	1,353	1,372	1,768	1,925
Administration and central services	10,098	10,098	5,951	5,951
Premises costs	1,994	1,994	2,608	2,608
Planned maintenance	63	63	119	119
Maintenance provision	91	91	-	-
Courtauld Connects project costs	1,974	1,974	1,011	1,011
Courtauld Connects premises costs for temporary accommodation	958	958	-	-
Other income generating activities – Institute	739	739	684	684
Other income generating activities – subsidiaries	112	-	741	-
	23,640	23,547	19,191	18,607
Other operating expenses include:				
External auditors remuneration in respect of audit services	50	46	53	50
External auditors remuneration in respect of non-audit services	55	55	22	22
Land and buildings	1,771	1,771	1,266	1,266
Foreign currency exchange loss/(gain)	2	2	14	14

## 10. Intangible Assets

	2019		2018	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
<b>Cost or valuation</b>				
At start of year	209	209	198	198
Additions	18	18	11	11
Disposals	-	-	-	-
At end of year	227	227	209	209
<b>Amortisation</b>				
At start of year	95	95	25	25
Charge for the year	73	73	70	70
Disposals	-	-	-	-
At end of year	168	168	95	95
<b>Net Book Value</b>				
At end of year	59	59	114	114

## 11. Fixed Assets and Heritage Assets

Consolidated	Leasehold land and buildings £'000	Computer equipment £'000	General equipment £'000	Total Fixed Assets £'000	Rare books and artefacts £'000
<b>Cost or valuation</b>					
At start of year	7,964	917	1,205	10,086	3,793
Additions	5,411	430	2,990	8,831	-
Revaluation	-	-	-	-	114
Disposals	(730)	(132)	(435)	(1,297)	-
At end of year	12,645	1,215	3,760	17,620	3,907
<b>Depreciation and impairment</b>					
At start of year	2,096	861	897	3,854	-
Charge for the year	312	138	660	1,110	-
Disposals	(730)	(132)	(435)	(1,297)	-
At end of the year	1,678	867	1,122	3,667	-
<b>Net book value</b>					
At end of year	10,967	348	2,638	13,953	3,907
At start of year	5,868	56	308	6,232	3,793

A number of items were written off as part of the relocation to temporary accommodation during Courtauld Connects resulting in a charge of £146,000. During the year the Conway early photographic collection was valued and has been included within Rare books and artefacts.

Institute	Leasehold land and buildings £'000	Computer equipment £'000	General equipment £'000	Total £'000	Rare books and artefacts £'000
<b>Cost and valuation</b>					
At start of year	7,964	905	1,018	9,887	3,793
Additions	5,411	430	2,990	8,831	-
Revaluation	-	-	-	-	114
Disposals	(730)	(120)	(248)	(1,098)	-
At end of year	12,645	1,215	3,760	17,620	3,907
<b>Depreciation and impairment</b>					
At start of year	2,096	849	710	3,655	-
Charge for the year	312	138	660	1,110	-
Disposals	(730)	(120)	(248)	(1,098)	-
At end of year	1,678	867	1,122	3,667	-
<b>Net book value</b>					
At end of year	10,967	348	2,638	13,953	3,907
At start of year	5,868	56	308	6,232	3,793

## 12. Investments

Consolidated and Institute	2019 £'000	2018 £'000
<b>Fixed asset investments</b>		
Balance brought forward at 1 August	12,377	11,906
Investment income	217	290
Increase in market value of investments held	645	642
Disposal/redemption of investments	(477)	(461)
Balance at 31 July	12,762	12,377
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	8,879	11,207
Cash balances	4,064	1,296
Forward hedging contract debtor/(creditor)	(181)	(126)
	12,762	12,377
<b>Endowment assets</b>		
Balance brought forward at 1 August		
Capital	26,401	25,595
Unapplied Total Returns	13,321	12,036
	39,722	37,631
Additions (note 19)	3,892	600
Investment income	712	923
Increase in market value of investments held	2,121	2,046
Disposal/redemption of investments	(1,565)	(1,478)
Balance at 31 July	44,882	39,722
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	31,227	35,967
Cash balances	14,292	4,159
Forward hedging contract debtor/(creditor)	(637)	(404)
	44,882	39,722
<b>Total investment assets</b>	57,644	52,099
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	40,106	47,174
Cash balances	18,356	5,455
Forward hedging contract debtor/(creditor)	(818)	(530)
	57,644	52,099

For the purpose of managing the investment portfolio and for all other management and administrative purposes, the endowment asset investments and fixed asset investments continue to be administered jointly in a single fund which was valued at £57,644m at 31 July 2019. (31 July 2018: £52,099m). As at 31 July 2019 £1,000,000 of cash included above was held as security for the overdraft facility (note 18).

The Courtauld operates a 50% hedging programme against exposure to the dollar and euro in the endowment and fixed asset investments. At the year end date there was a liability on the forward hedging contract of £818,000 (2018: £530,000) which has been recognised in the investment assets' value. £704,000 was paid in October 2019 (2018: fully settled in October 2018) and the balance is due for settlement in January 2020.





Speaker Dan Vo from Museum  
Detox at RES | FEST 2019

## 13. Stock

	2019 Consolidated	2019 Institute	2018 Consolidated	2018 Institute
	£'000	£'000	£'000	£'000
Finished goods	-	-	40	-

## 14. Trade and other receivables

	2019 Consolidated	2019 Institute	2018 Consolidated	2018 Institute
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade and student debtors	218	218	121	120
Amounts due from subsidiary undertakings	-	-	-	4
Taxation and VAT recoverable	219	219	196	196
Other Accrued Revenue	625	625	154	154
Other debtors	48	48	46	41
Prepayments	234	234	472	466
	1,344	1,344	989	981
Less provision for doubtful debts	(18)	(18)	(63)	(63)
	1,326	1,326	926	918

## 15. Creditors: amounts falling due within one year

	2019 Consolidated	2019 Institute	2018 Consolidated	2018 Institute
	£'000	£'000	£'000	£'000
Bank loan	-	-	200	200
Energy efficiency loans programme	12	12	12	12
Obligations under finance leases	24	24	-	-
Trade creditors	739	739	517	509
Amounts due to subsidiary undertakings	-	-	-	5
Social security and other taxation payable	197	197	213	190
Accruals and Deferred income	2,237	2,233	3,515	3,506
Other creditors	5	5	5	5
	3,214	3,210	4,462	4,427

### Accruals and Deferred income

Included with accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	2019 Consolidated	2019 Institute	2018 Consolidated	2018 Institute
	£'000	£'000	£'000	£'000
Donations	383	383	1,270	1,270
Research grants received on account	2	2	7	7
Grant income	197	197	357	357
	582	582	1,634	1,634

## 16. Creditors: amounts falling due after more than one year

	2019 Consolidated	2019 Institute	2018 Consolidated	2018 Institute
	£'000	£'000	£'000	£'000
Obligations under finance leases	32	32	-	-
Energy efficiency loans programme	-	-	12	12
	32	32	12	12
Analysis of secured and unsecured loans:				
Due within one year or on demand (Note 15)	12	12	212	212
Due between one and two years	-	-	12	12
Due between two and five years	-	-	-	-
Due after more than one year	-	-	12	12
Total secured and unsecured loans	12	12	224	224

## 17. Provisions for liabilities

### Consolidated

	Obligation to fund deficit on USS & SAUL Pensions	Deferred Tax	Other provisions
	£'000	£'000	£'000
At 1 August 2018	1,201	6	22
Utilised in year	(68)	-	(22)
Additions in 2018/19	2,527	(6)	91
Pension interest charge in the year	27	-	-
At 31 July 2019	3,687	-	91

### Institute

	Obligation to fund deficit on USS	Other provisions
	£'000	£'000
At 1 August 2018	1,201	-
Utilised in year	(68)	-
Additions in 2018/19	2,527	91
Pension interest charge in the year	27	-
At 31 July 2019	3,687	91

### Obligation to fund deficit on Pensions

The obligation to fund the past deficit on the Universities' Superannuation Scheme (USS) arises from the contractual obligations with the pension scheme for total payments relating to benefits arising from past performance in accordance with the deficit recovery plan. Management has assessed future employees within the scheme and salary payment over the period of the contracted obligation in assessing the value of this provision. Key assumptions are set out below and further information is provided in note 27. There are no remaining liabilities for benefits arising from past performance for the Superannuation Scheme of the University of London (SAUL) (2018: £nil).

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in note 27. As at 31 July 2019 and with all other assumptions used to calculate the provision unchanged, this would have resulted in a revised provision of £2,181,000, a decrease of £1,506,000 from the current year end provision.

The major assumptions used to calculate the obligation are:

	2019	2018
Discount rate	1.60%	2.19%
Salary growth	2.50%	2.50%

### Sensitivity analysis

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

#### Change in assumptions at 31 July 2019

	Approximate impact £'000
0.5% pa decrease in discount rate	(157)
0.5% pa increase in salary inflation over duration	(155)
0.5% pa increase in salary inflation year 1 only	(18)
0.5% increase in staff changes over duration	(159)
0.5% increase in staff changes year 1 only	(18)
1% increase in deficit contributions from April 2020	(737)
1 year increase in term	(277)





## 18. Financial assets and liabilities

	2019			2018		
	Current £'000	Non-current £'000	Total £'000	Current £'000	Non-current £'000	Total £'000
<b>Financial assets</b>						
Investments	-	57,644	57,644	-	52,099	52,099
Trade and other receivables	266	-	266	167	-	167
Cash	1,887	-	1,887	5,088	-	5,088
	2,153	57,644	59,797	5,255	52,099	57,354
<b>Financial liabilities</b>						
Bank loan	-	-	-	(200)	-	(200)
Energy efficiency loans programme	(12)	-	(12)	(12)	(12)	(24)
Obligations under finance leases	(24)	(32)	(56)	-	-	-
Trade and other payables	(744)	-	(744)	(522)	-	(522)
	(780)	(32)	(812)	(734)	(12)	(746)
<b>Total financial assets/(liabilities)</b>	1,373	57,612	58,985	4,521	52,087	56,608

The five year fixed term bank loan of £1,000,000 agreed on 30 June 2014 was repaid in the year. Interest was payable at a rate of 1.25% above LIBOR. The energy efficiency loans programme loan was agreed during 2015/16 to fund energy efficiency works and is interest free and repayable over 4 years.

An overdraft facility for working capital requirements was agreed in May 2019 of up to £1,000,000 secured on £1,000,000 of cash held in investments at 1.5% over base rate. The facility expired on 15 October 2019.

### Financial risk management objectives and policies

#### Market risk

The primary objective of the holding in endowment assets is to ensure that The Courtauld has ensuring support for its academic mission. Market risk arises from the endowment investment holdings. The Courtauld aims to minimise its market risk by establishing investment objectives, asset allocation policy and investment strategies for each class of asset within the portfolio. The Investment Committee reviews against these objectives and formally reviews the asset allocation at least once per year.

#### Foreign currency risk

As noted above the primary objective of the holding in endowment assets is to ensure that The Courtauld has ensuring support for its academic mission. The Courtauld is exposed to foreign currency risk resulting from endowment assets held in other currencies, primarily the US dollar and Euro. The Courtauld aims to reduce its exposure to foreign currency risk by hedging 50% of foreign currency exposure to the US dollar and Euro. The Investment Committee reviews the hedging approach at least once per year.

#### Liquidity risk

The primary objective is to ensure that The Courtauld has sufficient funds available to meet its financial obligations as they fall due. This is achieved by aligning the timing of withdrawal of investments with forecast cash flows. Cash flow forecasts are regularly reviewed to ensure continuity of funding.

#### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to The Courtauld. Credit risk arises from exposures to trade and student debtors. The maximum credit risk is limited to the carrying value of the trade receivables above. The level of bad debt provision is less than 1% of total income before donations and endowments.

## 19. Endowment Reserves

Restricted net assets relating to endowments are as follows:

### Endowments

Consolidated and Institute	Permanent Restricted £'000	Permanent Unrestricted £'000	Total Permanent £'000	Expendable Restricted £'000	Total 2019 £'000	Total 2018 £'000
At 1 August 2018						
Capital	11,799	8,048	19,847	6,554	26,401	25,595
Unapplied Total Returns	4,904	8,417	13,321	-	13,321	12,036
	16,703	16,465	33,168	6,554	39,722	37,631
Received in the year (note 6)	3,890	-	3,890	2	3,892	600
Investment income (note 5)	309	288	597	115	712	923
Gains in market value	922	858	1,780	341	2,121	2,046
Total returns transferred to income & expenditure account	(1,231)	(1,146)	(2,377)	(456)	(2,833)	(2,969)
Unapplied total returns retained in endowment reserves	515	564	1,079	189	1,268	1,491
At 31 July 2019						
Capital	15,689	8,048	23,737	6,745	30,482	26,401
Unapplied Total Returns	5,419	8,981	14,400		14,400	13,321
	21,108	17,029	38,137	6,745	44,882	39,722
<b>Representing</b>						
Fellowships and scholarships funds	4,423	294	4,717	2,794	7,511	3,465
Prizes funds	2,172	-	2,172	-	2,172	2,107
Chairs and lectureships funds	10,677	-	10,677	2,367	13,044	12,736
Other funds	3,836	16,735	20,571	1,584	22,155	21,414
	21,108	17,029	38,137	6,745	44,882	39,722

The Board has resolved that income up to a maximum of 4% of the current value of unrestricted endowments should be released to the Income & Expenditure Account, to cover any residual operating deficit of the Institute. Occasionally the Governing Board may determine that a capital withdrawal may be appropriate for investment in The Courtauld's future.

The Institute operates a total returns policy in respect of its endowment and fixed asset investments. Releases to the income & expenditure account and transfers to general reserves are accordingly based on income and growth realised during the year, subject to the conditions for the use of funds being met in the case of restricted funds and the limits imposed by the board in the case of unrestricted funds.

Included within the table above, the Institute holds four permanent endowments that could be considered to be material charitable funds. The funds, each of which was given to support the long term financial sustainability of the Institute, can be analysed as follows:

	Lisbet Rausing £'000	The Garfield Weston Foundation £'000	The Deborah Loeb Brice Foundation £'000	The Robert HN Ho Family Foundation £'000
At 1 August 2018				
Capital	5,000	1,000	2,491	2,500
Unapplied Total Returns	5,886	1,378	1,017	541
	10,886	2,378	3,503	3,041
Investment income	191	42	61	53
Gains in market value	567	124	183	158
Total Returns transferred to income & expenditure account	(758)	(166)	(244)	(212)
Unapplied total returns retained in endowment reserves	360	92	144	(6)
At 31 July 2019				
Capital	5,000	1,000	2,491	2,500
Unapplied Total Returns	6,246	1,470	1,161	535
	11,246	2,470	3,652	3,035



## 20. Restricted Reserves

Reserves with restrictions are as follow:

	Unspent capital grants	Courtauld Connects donations	Donations	CIAF Reserves	Total
	£'000	£'000	£'000	£'000	£'000
<b>Balances at 1 August 2018</b>	478	3,693	1,337	500	6,008
New grants	-	-	-	-	-
New donations	-	6,778	1,218	-	7,996
Capital grants and donations utilised	(41)	(8,736)	-	-	(8,777)
Expenditure	-	-	(790)	-	(790)
	(41)	(8,736)	(790)	-	(9,567)
<b>At 31 July 2019</b>	437	1,735	1,765	500	4,437

### Analysis of other restricted funds /donations by type of purpose:

	2019 Total £'000
Scholarships	192
Funded Posts	124
Gallery	274
General	1,175
	1,765

## 21. Cash and cash equivalents

	At 1st August 2018	Cash Flows	At 31st July 2019
	£'000	£'000	£'000
<b>Consolidated</b>			
Cash and cash equivalents	5,088	(3,201)	1,887

## 22. Capital and other commitments

### Consolidated and Institute

Provision has not been made for the following capital commitments at 31 July 2019:

	2019 £'000	2018 £'000
Commitments contracted for	13,553	566
	13,553	566

The commitment is for Courtauld Connects building works which are now in progress. The prior year commitment was also for Courtauld Connects preparatory works including fitout to the new temporary accommodation to be occupied during Courtauld Connects and the replacement of printers.

## 23. Lease obligations

### Consolidated and Institute

Total rentals payable under operating leases:

	2019	2018
	£'000	£'000
<b>Payable during the year</b>	1,768	1,263
<b>Future minimum lease payments due:</b>		
Not later than 1 year	1,866	1,202
Later than 1 year and not later than 5 years	5,100	2,221
Later than 5 years	12,685	961
<b>Total lease payments due</b>	<b>19,661</b>	<b>4,384</b>

The Institute signed a new 68 year lease (with a break clause after 23 years, (1 July 2042 and thereafter on 1 July 2067, serving not less than 36 months notice) to occupy the North block of Somerset House on 6 March 2019. The annual rent payable under the terms of the lease is subject to a rent review at 1 July 2022 and then every five years (rebased on 1 July 2042 and 1 July 2067). The current terms include a peppercorn rent on the 'fine rooms' which house the public area of The Courtauld Gallery until 1 July 2022.

In April 2009, the Institute entered into a 30 year lease (with a break clause after 15 years) with the Duchy of Lancaster for the provision of student accommodation at Duchy House.

In May 2014, the Institute entered into a 15 year lease (with a one year break clause) for a suite of rooms in the New Wing of Somerset House. Notice was given to exit this lease with effect from 31 May 2019.

In August 2018, the Institute entered into a 5 year lease (with a 3 year break clause) for a building in Vernon Square, London which will temporarily house staff and students during the Courtauld Connects building works.

## 24. Finance leases

### Consolidated and Institute

The lease was for eight new multi-function devices for printing, scanning and copying. The carrying amount of the asset at 31 July 2019 was £55,000 (2018: 23,000 for lease for refresh of network switches that ended in 2017/18).

The value of the future minimum lease payments is shown below:

	2019	2018
	£'000	£'000
Not later than one year	24	-
Later than one year and not later than five years	32	-
Later than five years	-	-
	<b>56</b>	<b>-</b>

## 25. Related party transactions

During the year, the Institute paid £160,000 (2017/18 £158,000) to the University of London, of which the Institute is an independent College, for central university governance, the university Careers Group, Senate House Libraries, the University of London Union, examination services and the private housing group.

During the year the Institute acted as Custodian for the works of art displayed and stored in the Courtauld Gallery but owned by the Samuel Courtauld Trust and others. The Lord Browne of Madingley and Andrew Adcock were also directors of the Samuel Courtauld Trust.

SCT Enterprises Limited ("SCTE") is a wholly owned subsidiary of The Courtauld Institute of Art. During the year, the Institute paid SCTE £22,559 for the provision of admissions and image services (2017/18 £200,572) and the Institute charged SCTE £12,917 for the use of space within The Courtauld and the provision of accounting services (2017/18 £65,000) of which £nil (2017/18 £nil) was included within the Institute debtors at the 31 July 2019.

16 trustees made donations of £174,362 for 2018/19 of which £118,029 was received in August 2019 (2017/18: 9 trustees made donations of £567,832 all of which was received during the year).

£442 was paid to a director for expenses relating to their role as a Director (2017/18 £Nil).

Peter Budd is a director of Ove Arup and Partners Limited. During the year the Institute paid £43,300 (2017/18 £12,000) to Ove Arup and Partners Limited for services provided on normal commercial terms.

Dr Gabriele Finaldi is director of National Gallery. During the year the Institute paid £2,940 (2017/18 £6,030) to National Gallery for services provided on normal commercial terms.

Ms Johanna Waterous is Chairman of Patrons at Royal Botanic Gardens, Kew. During the year the Institute paid £2,810 to Royal Botanic Gardens, Kew for services provided on normal commercial terms.





## 26. Controlling party

The Institute is a company limited by guarantee without any share capital and members, hence there is no controlling party.

## 27. Pension Schemes

The Courtauld Institute of Art participates in:

- the Universities' Superannuation Scheme (USS); and
- the Superannuation Scheme of the University of London (SAUL)

Both schemes were defined-benefit schemes contracted out of the State Second Pension (S2P) until 31 March 2016. With effect from 1 October 2016, the USS changed from a defined benefit only scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of both schemes are held in separate trustee administered funds.

The total cost charged to the income and expenditure account in respect of both schemes is shown below:

	Year ended 31 July 2019	Year ended 31 July 2018
	£'000	£'000
USS	3,381	718
SAUL	150	120
	3,531	838

SCT Enterprises Limited contributed to a defined contribution scheme administered on behalf of the company by Aviva. The costs charged to expenditure in the period of £4,000 (2017/18: £36,000) represent the full amount payable for the period until the employees left the company.

### (i) The Universities Superannuation Scheme

The USS is a multi-employer scheme where the assets are not attributed to individual employers and a scheme-wide contribution rate is set. The employer is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme. It therefore accounts for the scheme as if it were a defined contribution scheme as required by Section 28 of FRS 102 'Employee benefits'.

The amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since The Courtauld has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, it recognises a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2017 ("the valuation date"), which was carried out using the projected unit method. As at the year end a valuation as at 31 March 2018 was underway but not yet complete.

Since The Courtauld cannot identify its share of scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2017 valuation was the fourth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%.

The key financial assumptions used in the 2017 valuation are described below. More detail is set out in the Statement of Funding Principles:

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI – 0.53% reducing linearly to CPI – 1.32% Years 11-20: CPI + 2.56% reducing linearly to CPI + 1.7% by year 21 Years 21 +: CPI + 1.7%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table:

#### 2017 valuation

##### Pre-retirement:

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.

##### Post retirement:

96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females.

##### Future improvements to mortality:

CMI\_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2019	2018
Males currently aged 65	24.6	24.5
Females currently aged 65	26.1	26.0
Males currently aged 45	26.6	26.5
Females currently aged 45	27.9	27.8

The funding position of the scheme has since been updated on an FRS 102 basis:

	2019	2018
Scheme assets	£67.4bn	£63.6bn
Total scheme liabilities	£79.2bn	£72.0bn
FRS 102 total scheme deficit	£11.8bn	£8.4bn
FRS 102 total funding level	85%	88%

Key assumptions used are:

	2019	2018
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.11%	2.02%

A new deficit recovery plan was put in place as part of the 2017 valuation, which requires payment of 5% of salaries over the period 1 April 2020 to 30 June 2034. In accordance with the requirements of FRS102 and the SORP, The Courtauld has made a provision for this contractual commitment to fund the past deficit. In the prior year the deficit payments were 2.1% of salaries up to March 2031.

This significant increase in deficit contributions has given rise to a substantial increase in the deficit provision which has increased from £1,201,000 to £3,687,000 as set out in note 17. £2,527,000 of this increase is attributable to the change in the deficit contributions contractual commitment. See also note 7 in respect of significant one-off pension costs / gains.

The 2018 actuarial valuation was finalised after the year end which indicated a shortfall of £3.6 billion and a funding ratio of 95%.

Since the year end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This amends the existing deficit recovery plan as set out in the 2017 valuation Schedule of Contributions. This new plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 31 July 2019 and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £2,181,000, a decrease of £1,506,000 from the current year end provision and a lower charge to the Statement of Comprehensive Income of £1,021,000.

## **(ii) The Superannuation Arrangements of the University of London (SAUL)**

SAUL is a multi-employer scheme and it is not possible to identify an individual employer's underlying assets and liabilities so it is treated as if it were a defined contribution scheme. The Courtauld Institute of Art is not expected to be liable to SAUL for any other current participating employers' obligations under the Rules of SAUL, but, in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

## **Funding Policy**

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected.

However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required.

The Trustee and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE Salaries.

The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £3,205 million representing 102% of the liabilities for benefits accrued up to 31 March 2017.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The Courtauld Institute of Art accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

As there was a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by The Courtauld Institute of Art.

# **28. Accounting estimates and judgements**

## **Critical accounting judgements**

FRS 102 makes the distinction between a Group Plan and a multi-employer scheme. A Group Plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS and SAUL. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in profit or loss. The directors are satisfied that the schemes provided by USS and SAUL meet the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Investment valuations are recognised at the latest valuation provided by The Courtauld's investment managers. There are elements of estimation involved in determining the value of private equity investments which form part of the investment portfolio. These valuations at 31 July 2019 were reviewed by The Courtauld prior to signing these financial statements.

## **Key sources of estimation uncertainty**

The liability recognised in respect of the USS is determined relying on estimates and assumptions. The pension figures are particularly sensitive to changes in assumptions for discount rates, mortality and inflation rates. Judgement was used in determining the assumptions to be adopted including taking guidance from the actuarial advisor to the British Universities Finance Directors' Group.

# **29. Events after the end of the reporting period**

As set out in Note 27 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. This results in a decrease of £1,506,000 in the provision for the obligation to fund the deficit on the USS pension which would instead be £2,181,000. This adjustment will be reflected in the Financial Statements for the year ended 31 July 2020.





An image from 'GENERATIONS: Connecting Across Time and Place', an exhibition curated by students of the MA Curating the Museum programme 2019, held at Somerset House.



# Research output, acquisitions and loans

## Research Output and Publications from 1 August 2018 to 31 July 2019

### 2018

#### Chapter in Book/Report/Conference proceeding – Chapter

**'Alice Adams: Woven Forms, Eccentric Objects'.** / Applin, Jo.

Alice Adams: Woven Forms and Post Minimal Sculpture 1959-1973 (Boston: David Hall Fine Art LLC). 2018. p. 1-4.

**Aligning New Histories of Southeast Asian Art.** / Scott, P; Low, Y; Abdullah, S; Whiteman, Stephen.

Ambitious Alignments: New Histories of Southeast Asian Art. National Gallery Singapore and Power Publications, 2018. p. 1-12.

#### Chapter in Book/Report/Conference proceeding – Other Chapter Contribution

**Traditionelle Rivalen? Künstlerische Dialog zwischen Florenz und Siena im zweiten Viertel des 15. Jahrhunderts.** / Nethersole, Scott.

Florenz und seine Maler: von Giotto bis Leonardo da Vinci. ed. / Andreas Schumacher. Munich, Bayerische Staatsgemäldesammlungen, Alte Pinakothek, 2018. p. 115-123.

#### Contribution to journal – Book/Film/Article review

**Book review of On Display: Henrietta Maria and the Materials of Magnificence at the Stuart Court.** / Serres, K.

In : Burlington Magazine, 12.2018. 160, 1389, p. 162-163

#### Contribution to specialist publication – Special issue

**'Cookery and urbanity in early modern Isfahan'.** / Babaie, Sussan.  
In: The Early Modern Cultural Studies, Vol. Islamic Cities, 2018.

#### Contribution to specialist publication – Book/Film/Article review

**'Art in China since 1989: Theatre of the World' exhibition at the Guggenheim Bilbao.** / Teo, Wenny.

In: Burlington Magazine, 09.2018, p. 793-79.

#### Book

**Networking the Bloc: Experimental Art in Eastern Europe 1965-1981.** / Kemp-Welch, Klara.

Cambridge Massachusetts and London UK: MIT Press, 2018.

#### Conference Contribution

**The "Bursa Relief": a non-invasive analytical investigation of an exceptionally painted Roman marble portrait.** / Abbe, Mark; Verri, Giovanni.

Polychromy in ancient sculpture and architecture. ed. / Susanna Bracci; Gianna Giachi; Paolo Liverani; Pasquino Pallecchi; Fabrizio Paolucci. Sillabe, 2018. p. 167-182.

**Scientific investigation of the polychromy of the Lyon kore (ca. 540 BC).** / Bourgeois, Brigitte; Verri, Giovanni;

Vasiliadis, Costantinos; Farmaki, Ioanna.  
Polychromy in ancient sculpture and architecture. ed. / Susanna Bracci; Gianna Giachi; Paolo Liverani; Pasquino Pallecchi; Fabrizio Paolucci. Sillabe, 2018. p. 59-73.

**Field microscopy applied to the understanding of the technology and conservation of wall paintings.** / Geddes

Da Filicaia, Eugenia; Verri, Giovanni; Goren, Yuval.

Florence Heri-Tech – The Future of Heritage Science and Technologies: IOP Conf. Series: Materials Science and Engineering 1213. Vol. 364 2018. p. 1-9.

**La quarta dimensione della scultura: il colore.** / Liverani, Paolo; Santamaria, Ulderico; Verri, Giovanni.  
Escultura Romana in Hispania VIII. Vol. VIII Cordoba : UCO Press, 2018. p. 121.

### 2019

#### Chapter in Book/Report/Conference proceeding – Chapter (peer-reviewed)

**Looking through the Glass, and What Fontana Found There.** / Gottschaller, Pia.  
Lucio Fontana: On The Threshold. ed. / Iria Candela. New York : The Metropolitan Museum of Art, 2019. p. 67-73.

**Mirando a través del cristal, y lo que Fontana encontró allí.** / Gottschaller, Pia.  
Lucio Fontana: En el umbral. ed. / Iria Candela. Bilbao : Guggenheim Bilbao, 2019. p. 67-73.

**Dust & Data: Traces of the Bauhaus across 100 Years.** / Schuldenfrei, Robin.  
'Re-inscribing Mies's Materiality'. Spector Books, 2019.

#### Chapter in Book/Report/Conference proceeding – Chapter

**'H.C. Westermann's Complex Present'.** / Applin, Jo.  
H.C. Westermann: Goin' Home, ed. Beatriz Velázquez (Madrid: Museo Nacional Centro de Arte Reina Sofia, 2019). 2019.

**'Rosemarie Trockel: The Vita Activa'.** / Applin, Jo.  
Rosemarie Trockel: The Same Different (Malmo: The Moderna Museet, 2018 in press). 2019.

**'Cut off your nose'.** / Applin, Jo.  
Rachel Maclean (London: Zabłudowicz Collection, 2019 in press). 2019.

**Taking Different Forms: Metal Soaps in Paintings, Diagnosis of Condition, and Issues for Treatment.** / Burnstock, Aviva.  
Metal Soaps in Art. Cultural Heritage Science. Springer International Publishing AG, 2019. p. 243-262.

**An Investigation into Metal Ions in Varnish Coatings.** / S. Higgs ; Burnstock, Aviva.  
Metal Soaps in Art. Cultural Heritage Science. Springer International Publishing AG, 2019. p. 123-140.

## Chapter in Book/Report/ Conference proceeding – Other Chapter Contribution

**Classicism and Invention: Botticelli's Mythologies in Our Time and Their Time** / Costaras, Nicola; Richardson, Clare. Botticelli Past and Present. ed. / Ana Debenedetti; Caroline Elam. UCL Press, 2019.

**The Courtauld Collection: A Vision for Impressionism: catalogue entries.** / Gottardo, Ketty. The Courtauld Collection, A Vision for Impressionism [exhibition catalogue]. Serres, K. (ed.). Fondation Louis Vuitton and Paul Holberton Publishing, 2019. p. 130-135, 222-227.

**Botticelli, Lucretia, and the Visualization of Violence.** / Nethersole, Scott. Botticelli: Heroines and Heroes. ed. / Nathaniel Silver. Isabella Stewart Gardner Museum, Boston, 2019. p. 56-77.

**Battling for Meaning: Bertoldo's Bronze Battle in the Bargello.** / Nethersole, Scott.

A. Ng, A. J. Noelle and X. F. Salomon (eds), Bertoldo di Giovanni: The Renaissance of Sculpture in Medici Florence, exh. cat. Frick Collection, New York, 2019, pp. 189-204. 2019.

**Samuel Courtauld, Champion of Impressionism.** / Serres, K. The Courtauld Collection, A Vision for Impressionism [exhibition catalogue]. Serres, K. (ed.). Fondation Louis Vuitton and Paul Holberton Publishing, 2019.

## Contribution to journal – Article

**The Kodak Ensemble: Fashion, Images and Materiality in 1920s America.** / Arnold, Rebecca. In: Fashion Theory – Journal of Dress Body and Culture, 15.07.2019.

**Renaissance Splendor: Catherine de' Medici's Valois Tapestries.** / Gottardo, Ketty. In: The Burlington Magazine, Vol. 161, No. 1394, 05.2019, p. 439.

**The value of contrast : 'Beyond Compare' at the Bode Museum.** / Nethersole, Scott. In: World Art, 2019.

**An 'imperial radiation': Experimental and theoretical investigations of the photo-induced luminescence properties of 6,6'-dibromoindigo (Tyrian purple).** / Verri, Giovanni; Martin de Fonjaudran, Charlotte ; Acocella, Angela; Accorsi, Gianluca; Comelli, Daniela; D'Andrea, Cosimo; Nevin, Austin; Zerbetto, Francesco; Saunders, David. In: Dyes and Pigments, Vol. 160, 2019, p. 879-889.

## Contribution to journal – Book/ Film/Article review

**Review of exhibition: Piero della Francesca. Monarch of Painting.** / Nethersole, Scott. In: Burlington Magazine, 03.2019, p. 233-35.

## Contribution to specialist publication – Book/Film/Article review

**Cao Fei 'A hollow in a world too full'.** / Teo, Wenny. In: Art Review Asia, 03.2019.

## Book

**Art of Renaissance Florence : A City and its Legacy.** / Nethersole, Scott. London : Laurence King, 2019. 224 p.

**The Courtauld Collection: A Vision for Impressionism [exhibition catalogue].** / Serres, K. (ed.). Fondation Louis Vuitton and Paul Holberton Publishing, 2019

## Other Contribution

**Always Drawing: interviewing the artist JASL.** / Gottardo, Ketty. 2019, Artist interview.

## List of acquisitions for the period 1 August 2018 to 31 July 2019

### November 2018

Auguste Boulard (1852-1927), Portrait of Daumier, 1880, etching

### Gift of Donato Esposito, June 2018 (formally acquired by the Samuel Courtauld Trust in November 2018)

Coplestone Ware Bampfylde (1720-1791), *View of Stourhead with the Chinese Bridge and Obelisk*, 1776, watercolour

Coplestone Ware Bampfylde (1720-1791), *View of the Pantheon at Stourhead across the bridge*, 1776, watercolour

### Gift of the Spooner Charitable Trust, July 2018 (formally acquired by the Samuel Courtauld Trust in November 2018)

George Romney (1734-1802), *Two figures standing together (recto); Two figures standing, opposite each other (verso)*, late 1770s or early 1780s, ink sketches torn from a sketchbook

### Gift of Helen Talbot, August 2018 (formally acquired by the Samuel Courtauld Trust in November 2018)

### May 2019

Edward Lear (1812 – 1888), *View of Villefranche*, c.1865

Pen and brown ink and watercolour over traces of pencil on paper

Edward Lear (1812 – 1888), *Norba*, Lithographic print

Edward Lear (1812 – 1888), *Rieti*, Lithographic print

### Gift of the Spooner Charitable Trust, October 2018 (formally acquired by the Samuel Courtauld Trust in May 2019)

Francis Towne (1739-1816), *A scene in Werrington Park, near Launceston, in the County of Cornwall*, 1796, Watercolour on paper

William Frederick Wells (1762-1836), *View of York – Drawn by W F Wells 1829*, Watercolour on paper

### Gift of the Spooner Charitable Trust, May 2019

# Loans from the collection for the period 1 August 2018 to 31 July 2019

Exhibitions in order of opening date

## 1 September – 31 December 2018

Palazzo Ducale, Venice

*Tintoretto 500th Anniversary*

**Tintoretto**, *Study after Michelangelo's 'Evening'* (D.1978.PG.100)

**Tintoretto**, *Study for an angel in 'The Resurrection'* (D.1978.PG.101)

**Tintoretto**, *Man seated* (D.1978.PG.369)

## 1 September – 31 December 2018

Accademia, Venice

*Tintoretto 500th Anniversary*

**Tintoretto**, *Esther and Ahasuerus or Solomon and the Queen of Sheba* (P.1978.PG.457)

## 8 September – 13 January 2019

Museum Boijmans van Beuningen, Rotterdam

*Rubens*

**Rubens**, *Descent from the Cross* (P.1947.LF.359)

**Rubens**, *Conversion of Saint Paul* (P.1978.PG.356)

## 11 September 2018 – 13 January 2019

Dulwich Picture Gallery

*To be displayed with permanent collection*

**Monet**, *Vase of Flowers* (P.1932.SC.275)

## 17 September 2018 to 20 January 2019

The National Gallery, London (Rooms 19 and 20)

*Courtauld Impressionists: From Manet to Cézanne*

26 Impressionist and Post-Impressionist works from the collection

## 22 September 2018 – 20 January 2019

The Herbert Museum and Art Gallery, Coventry

*Courtauld National Regional Programme*

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

## 26 September 2018 – 28 January 2019

Dulwich Picture Gallery

*Ribera: The Art of Violence*

**Ribera**, *Man tied to a tree, and a figure resting* (D.1952.RW.2505)

## 2 October 2018 – 13 January 2019

Kunsthistorisches Museum, Vienna

*Brueghel 450th anniversary exhibition*

**Pieter Bruegel the Elder**, *Kermis at Hoboken* (D.1947.LF.45)

## 3 October 2018 – 27 January 2019

National Gallery, London

1 March – 30 June 2019

Staatliche Museen, Berlin

*Mantegna/Bellini*

**Bellini**, *The Nativity* (D.1978.PG.79)\*

**Mantegna**, *Studies for Christ at the Column* (D.1978.PG.345)

\*Berlin only

## 10 October 2018 – 27 January 2019

Barbican, London

*Modern Couples*

**Omega Workshop**, *Plate with overglaze geometric design* (O.1958.PD.258)

**Duncan Grant/Roger Fry**, *Collage* (D.1958.PD.37)

**Duncan Grant**, *Design (known as 'Trojan Women')* (D.1958.PD.59)

**Vanessa Bell/Duncan Grant**, *Rug design* (D.1958.PD.8)

**Vanessa Bell**, *Rug design* (D.1958.PD.86)

**Duncan Grant**, *Design for embroidered chair seat* (D.1958.PD.97)

**Vanessa Bell**, *Design for a folding screen – Adam and Eve* (D.1958.PD.85)

**Roger Fry**, *Design with confronted peacocks* (D.1958.PD.14)

## 14 October 2018 – 16 January 2019

National Gallery of Art, Washington

*Chiaroscuro Woodcuts*

**Antonio da Trento, after Parmigianino**, *Augustus and the Triburtine Sybil* (G.1978.PG.32)

## 19 October 2018 – 17 January 2019

William Morris Gallery, Walthamstow

*The Enchanted Garden 1850-1950*

**Roger Fry**, *Orchard, Woman Seated in a Garden* (P.1958.XX.143)

## 29 October 2018 – 12 May 2019

Tate Britain

*William Dobson*

**Dobson**, *Portrait of an Old and a Younger Man* (P.1947.LF.97)

## 15 November 2018 – 3 February 2019

National Portrait Gallery, London

23 February – 9 June 2019

Princeton University Art Museum

*Gainsborough's Family Album*

**Gainsborough**, *Portrait of Mrs Gainsborough* (P.1932.SC.157);

**Gainsborough (attrib)/Gainsborough Dupont**, *Portrait of Thomas Gainsborough* (P.1932.SC.100)

## 18 November 2018 – 10 February 2019

The Cleveland Museum of Art:

*The Valois Tapestries*

**Caron**, *A quintain* (D.1955.WF.4647);

**Caron**, *An equestrian game with riders jousting among balls of fire* (D.1955.WF.4648)

## 28 November 2018 – 3 February 2019

National Gallery, London

*Monarch of the Glen*

**Landseer**, *Head of a lion* (D.1952.RW.2350)

**Landseer**, *Four studies of a lion's head* (D.1952.RW.3615)

## 14 December 2018 – 10 March 2019

Kunsthhaus Zurich

*OK – Expressionist, Migrant, European:*

*Oskar Kokoschka Retrospective*

**Kokoschka**, *Triptych – The Myth of Prometheus* (P.1978.PG.210)

## 13 February – 26 May 2019

Stadel Museum, Frankfurt

*Renaissance in Venice: Painting in the Age of Titian*

**Carpaccio**, *Madonna and Child with the Infant Saint John the Baptist* (D.1978.PG.82 verso)

## 27 March – 5 August 2019

National Gallery, London

*The Courtauld at the National Gallery*

17 works from the Courtauld Gallery collections

## 24 March – 30 June 2019

National Gallery of Art, Washington (from Palazzo Ducale, Venice)

*Tintoretto 500th Anniversary*

**Tintoretto**, *Esther and Ahasuerus or Solomon and the Queen of Sheba* (P.1978.PG.457)

## 19 February – 17 June 2019

Louis Vuitton Foundation, Paris

*Masterpieces of Impressionism from The Courtauld Gallery*

89 works from the collection.

## 27 March – 11 Aug 2019

Tate Britain

*Van Gogh and Britain*

**Roger Fry**, *Carpentras, Provence* (P.1935.RF.151)

## 5 April – 30 June 2019

Museum of Fine Arts, Budapest

*The Triumph of the Body: Michelangelo and Sixteenth Century Italian Draughtsmanship*

**Michelangelo Buonarroti**, *Aeneas and a Child* (D.1978.PG.425)

## 28 May – 15 September 2019

Museo Nacional del Prado, Madrid

*Fra Angelico and the Rise of the Florentine Renaissance*

**Fra Angelico**, *Three predella panels – Christ as Man of Sorrows flanked by saints* (P.1966.GP.10)

## 29 May – 15 Sept 2019

Sheffield Millenium Gallery

*John Ruskin: Art and Wonder*

**Ruskin**, *Skulls of a gannet and a crane* (D.1952.RW.2469.1); *Head of a frogmouth and skull of an oilbird* (D.1952.RW.2468.2)

## 5 June 2019 – 31 May 2020

Science Museum, London

*Illuminating Objects Special Display*

German 17th century, Ivory painted marriage casket (O.1966.GP.28)

## 14 June – 15 Sept 2019

Staatliche Kunstsammlungen, Dresden,

Kupferstich-Kabinett

*Rembrandt's Mark*

**Rembrandt**, *Two men in discussion*

(D.1978.PG.190); *Saskia sitting up in bed, holding a child* (D.1978.PG.183);

*Two studies of Saskia* (D.1978.PG.184);

*Man standing* (D.1978.PG.188); Jonathan

**Richardson the Elder**, *Self-portrait at the age of thirty* (D.1952.RW.1660)

## 18 June 2018 – 31 Oct 2020

National Galleries of Scotland

*To be displayed with permanent collection*

**Seurat**, *Young Woman Powdering Herself* (P.1932.SC.396)

## 29 June – 13 Oct 2019

Pallant House Gallery, Chichester

Ivon Hitchens: *Space Through Colour* (working title)

Ivon Hitchens, *Balcony View, Iping Church* (P.1984.AH.189)



courtauld.ac.uk

The Courtauld Institute of Art  
Somerset House, Strand  
London WC2R 0RN



**UNIVERSITY  
OF LONDON**