

# The Courtauld



**2021/22**

**Annual Report and Financial Statements**









KATJA AND NICOLAI TANGEN  
20TH CENTURY GALLERY

Photo cover: The Courtauld Gallery  
Photo this page: Oskar Kokoschka:  
*The Myth of Prometheus*, in the Katja and  
Nicolai Tangen 20th Century Gallery



**Photo: 18th-century staircase  
at The Courtauld Gallery,  
looking upwards towards  
*Unmoored from her reflection*,  
Cecily Brown 2021**



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## The Courtauld

The Courtauld benefits individuals and society by extending knowledge and informing their responses to art. 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 through our collections, teaching, research, and public engagement. Our alumni – a dynamic body of specialists who fully share that commitment – form a global community of some of the world’s most influential leaders in the arts and other sectors.

Our scope is unique. As a college of the University of London, we bring together exceptional teaching and research in art history, curating and conservation. We have an unmatched concentration of specialisms ranging from antiquity to the present and extending across diverse cultures, from early Christian Byzantium to Iran and Islam, Europe, America, China, the Buddhist world, and Black art histories. Our conservators work at heritage sites throughout the world.

Located in the heart of London, The Courtauld Gallery encapsulates our mission to illuminate art for all, welcoming visitors from around the world. Our unparalleled collections of original works of art and research resources benefit our students, staff, and the public.

We are committed to enabling the widest possible audience to connect with the visual arts.



Joshua Reynolds: *Cupid and Psyche*, c. 1789, the Blavatnik Fine Rooms.







## **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, inspiring exhibitions and programmes, and the stewardship of our collections.**



**The hard work and dedication of The Courtauld's staff and the determined resilience of our students made it possible to deliver academic and research excellence, despite the challenges of Covid-19. In addition, we reopened a highly-acclaimed, elegant and accessible Gallery, created the Leon Kossoff Learning Centre, and renovated and equipped the studios and technical facilities which make up the Linbury Conservation Centre.**

The opening of The Courtauld Gallery in November 2021 was a moment of great significance – a key milestone in Courtauld Connects, our ambitious capital project and programmatic initiative. We are delighted with the transformation that has been achieved through the creative teamwork of architects Witherford Watson Mann, designers Nissen Richards, construction managers Sir Robert McAlpine, project managers, other specialists and our own gallery and project team. Newly created and restored spaces allow us to display our globally renowned collections to best effect and to expand our exciting programme of temporary

exhibitions. Two major exhibitions launched the new series; *Van Gogh. Self-Portraits*, the first-ever exhibition devoted to Vincent Van Gogh's self-portraits across his entire career; and *Edvard Munch. Masterpieces from Bergen*, part of a partnership between The Courtauld and KODE art museums in Bergen, Norway. New facilities include an object study and exhibition spaces for students and researchers, and new public facilities, shop and café. In the first 8 months of operation, over 250,000 visitors were welcomed through our doors. Even more exceptional considering the still-lingering Covid impact and fall in tourism.

This institution could not achieve all it does without the generosity of our donors and supporters. Philanthropy fuels the work we do, it supports our facilities, teaching and research, empowering us to share these treasures with wider society. We particularly applaud and thank the National Heritage Lottery Fund, the philanthropists Sir Leonard and Lady Blavatnik, and the Blavatnik Family

Foundation. Additional major support was provided by AKO Foundation, the Deborah Loeb Brice Foundation, The John Browne Charitable Trust, Denise Coates CBE, Crankstart, The Garcia Family Foundation, The Garfield Weston Foundation, Martin and Susanne Halusa, The Linbury Trust, LVMH Moët Hennessy - Louis Vuitton, Oak Foundation, and many other supporters who put their faith in this project. We are now moving confidently on to the planning and fundraising for Phase Two of Courtauld Connects.

The transformation is much more than our physical buildings. It is about how we open The Courtauld up to new audiences and ensure that our student experience is relevant to today's challenges. In January 2022, we announced an important new relationship with King's College London. This enables collaboration both in research and teaching, with joint programmes to be developed. We will also have access to shared facilities and activities to enrich the student experience.



# Introduction from the Chairman

This year's graduating cohort follows in the footsteps of more than 8,000 alumni who shape the global arts and creative agenda. To name some of the successes over the past year: Katya García-Antón (PG Dip 1992, MA 1993), Director of the Office for Contemporary Art Norway (OCA), co-curated and commissioned The Sámi Pavilion at the 2022 Venice Biennale. Composer Theo Green (BA 1994) received an Oscar for 'Best Sound' for the film *Dune*. Rebecca Matthews (MA 1994) took up her new role as Director of ARoS, Aarhus, one of Northern Europe's largest art museums.

Sculptor Poppy Field (BA 2016) was commissioned to produce life-size sculptures of Her Late Majesty The Queen and Prince Philip for the Royal Albert Hall to mark its 150th anniversary. Wolf Burchard (MA 2010, PhD 2015), Associate Curator at The Metropolitan Museum of Art, curated the highly acclaimed *Inspiring Walt Disney: The Animation of French Decorative Arts*. Lesley Stevenson (PG Dip Conservation of Easel Paintings 1993), Senior Paintings Conservator at the National Galleries of Scotland, has

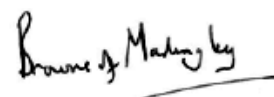
discovered a hidden self-portrait by Van Gogh during a routine conservation X-ray of another Van Gogh painting, *Head of a Peasant Woman* (1885).

On behalf of everyone at The Courtauld, I would like to thank retiring members of the Governing Board - Professor James Cuno, until recently President and CEO of the Getty and former Director of The Courtauld, and Dame Julia Peyton-Jones - for their considerable contributions. We also thank Ruby Bansal, whose term as Student Union President came to an end in July, and are delighted to welcome Diego Arteche Ibinarriaga, the new 2022-23 Courtauld Students' Union President.

On behalf of the Governing Board, I would like to thank all who work for and with The Courtauld, particularly the staff who make the institution work day by day, despite the challenges. We are grateful also for our continued partnership with the Samuel Courtauld Trust, which is so important to the continued development of The Courtauld as a place of learning and enlightenment about the arts.

As we move substantively into the 2022-23 academic and financial year, we are preparing for change, including a change of leadership as Professor Deborah Swallow retires after nearly 19 years of committed service to The Courtauld. She departs with our sincere gratitude and our best wishes for the future.

I am delighted that Professor Mark Hallett will take on the reins of this marvellous institution at the end of the academic year. The Courtauld has a clear direction ahead, even as much around us is uncertain. I am confident that, thanks to the continued efforts of our entire community - internally and beyond - The Courtauld will continue to exercise a global influence, as a wellspring of openness, experimentation, and critical engagement.



**Lord Browne of Madingley**



**The Courtauld Annual Report provides both a formal account of the past financial and academic year and an opportunity to celebrate this vibrant community by recognizing the contributions that so many have made and the impact this has had. The most visible and outstanding event was the reopening of our transformed Gallery in November 2021 - a key milestone in our Courtauld Connects project - which was received with unanimous acclaim.**

The renovated spaces in Sir William Chambers magnificent 18th-century building are now fit for 21st-century audiences, with beautifully refurbished galleries, additional areas for permanent display and temporary exhibitions of difference scales, facilities for the study of objects, and a dedicated public education space - the Leon Kossoff Learning Centre and improved public facilities with new retail and café. By the end of the reporting year, work on the Linbury Conservation Centre was also almost complete, in readiness for the return of the Conservation Department in September 2022.

These wonderful facilities will enable us to expand the work we have developed

with audiences over the past four years, supported by the National Lottery Heritage Fund and other donors. We are opening up the Samuel Courtauld Trust's collections, our expertise, and the historic building to wider audiences, expanding our contribution to the art and cultural sectors on a global level. This is a major step in the realisation of our founder Samuel Courtauld's vision of making art available to all. We are most grateful to our architects, Witherford Watson Mann, designers Nissen Richards, project managers Gardiner & Theobald, construction managers SRM, all contractors, advisors, our Gallery team and staff across the institution, who have brought this stage of Courtauld Connects to fruition.

We have been thrilled by our visitors' response to the Gallery and its reception by national and international press. The Gallery opening also provided the opportunity to celebrate the very generous gift of twenty-four outstanding modern and post-war drawings - featuring work by Baselitz, Beuys, Kandinsky, Klee, Richter, Soutter and Twombly - presented by artist Linda Karshan in memory of her husband, Howard Karshan. The

relaunched exhibition programme, led by Head of Gallery Dr Ernst Vegelin, opened with an exceptional exhibition. *Van Gogh. Self Portraits* uniquely explored the full chronological span of Van Gogh's self-portraiture, taking as its springboard Van Gogh's iconic *Self-Portrait with Bandaged Ear*, one of the most celebrated works in The Courtauld's collection. This was immediately followed by *Edvard Munch. Masterpieces from Bergen*, a major collection of his works as part of a partnership with KODE Art Museums in Bergen, Norway.

To achieve all this activity, much behind-the-scenes work was required, including the return of the works on paper collection and other collections to site, the management of national and international loans, projects supported by the Getty Paper Project initiative, and a major, successful, submission to Arts Council England, to achieve renewal of the Gallery's accreditation. The year saw the retirement of the Gallery's senior registrar, Julia Blanks. We are grateful for her exceptional service to The Courtauld.

Courtauld Connects has required much logistical change, exacerbated by the





# Märit Rausing Director's Report

impact of COVID-19 throughout the past two plus years. Our teaching and student and staff support resources have had to flex and adapt further throughout this period, with students finally returning physically to our Vernon Square campus following the upheaval caused by the pandemic, but still working in a hybrid environment for some of this time. Our public programmes, outreach and short course programmes were equally affected. I thank all our staff and students for their resilience and good faith during this difficult period.

The year also saw significant changes in our faculty and associated staff. We would particularly like to thank all departing faculty, and congratulate Professors Caroline Arscott and Joanna Woodall on their award of the title Emerita in respect of their rich contributions to our teaching, research, administration, and intellectual life. We also thank Dr Robin Armstrong-Viner for his leadership of our libraries throughout the pandemic. We were very pleased to welcome Professor Dorothy Price, Indie A. Choudhury, and Dr Jane Spooner to the faculty, and to announce the appointments of Dr Sujatha Meegama, Dr Devika Singh and

Lori Wong. These appointments extend the global reach of our art history and conservation faculty. We also welcome Lisa Redlinks as our new Head of Library Services.

The year also saw significant developments in our academic administration and teaching arrangements. These activities, though often hidden, are substantial, time-consuming and fundamental to both the experience and education of our students and to our research capacity. Academic, Student and Academic Services and other academic support colleagues, led by our Dean and Deputy Director, Professor Alixe Bovey, have done outstanding work to redesign our undergraduate BA programme, and revise post-graduate programmes in Easel and Wall Painting conservation, and Buddhist art, heritage, and conservation. They have all collaborated to move The Courtauld from a term to a semester system, to ensure better alignment with most other Higher Education institutions and enable our new strategic partnership with King's College London. Simultaneously, further investment was made in other areas of student welfare and support - an area of ongoing

concern across the Higher Education sector. The appointment of Vice Deans for Education and Research, Dr Catherine Grant and Dr Lucy Bradnock, from September 2022, will significantly strengthen our academic structure, capacity and capability.

Our alumni continue to provide outstanding support, not least through generous involvement with current students. This year, twenty-one undergraduates were carefully matched with Courtauld graduates who are leaders in their fields, as part of our Alumni Mentoring Programme for underrepresented students; these may be from a minority ethnic background, a non-selective state school, those who are the first in their family to go to university, or who are care leavers or have a registered disability.

Following a major submission, we were very pleased that OfS once again confirmed our status as world-leading for its teaching and education activities and the continuation of our specialist teaching funding. The year also saw the outcome of REF (Research Excellence Framework) 2021, and we were delighted that The Courtauld's status as an institution with world-leading



quality research was again recognised. We were particularly pleased that we were awarded a 100% 4\* performance for our research environment - an environment which supports and enables world-leading research.

In January 2022, we were delighted to announce our new landmark relationship with King's College London our next-door neighbour in the Strand. The Courtauld and King's share a mutual commitment to excellence and a recognition of the role that the arts and culture play in Higher Education. The relationship will provide a new platform for working together between The Courtauld and all King's faculties, as well as new areas for academic and educational collaboration, with the development of undergraduate module sharing, co-convened post-graduate courses, and collaborative and interdisciplinary research opportunities. The relationship also provides substantial opportunities to enhance the student experience, with students gaining access to services and activities across both institutions. This is a unique opportunity to achieve educational, intellectual and public benefits together.

Other important partnerships have been launched this year, including that with Art History Link-Up, a remarkable initiative to ensure that A-Level Art History should be available to all students, whatever their circumstances, and when their schools are unable to offer the subject.

We were honoured that Dr Craig Clunas, Emeritus Professor of History of Art at Trinity College, University of Oxford, and Dr Kellie Jones, Professor in Art History and Archaeology and African American and African Diaspora Studies at Columbia University, were admitted to the degree of Doctor of Literature *honoris causa*. Linda Karshan, Peter Rogers CBE, Natalie Shipton, Sophia Weston, and Tim Whalen were inducted into The Courtauld's exceptional group of Honorary Fellows - people who have made outstanding contributions to The Courtauld. The honours were conferred during this year's graduation ceremony on 6 July 2022, when 353 students graduated from The Courtauld at ceremonies held at St Clements Dane, Strand, the University's first in-person graduation since 2019.

Without our professional staff, we would not be able to operate. They are essential to all we do. The Senior Management Team and Senior Leadership group have undergone significant change over the past two years; I thank all those who have played critical roles and welcome our new Chief Finance and Strategy Officer, Monica Varriale, and Director of Marketing and Communications, Áine Duffy.

Earlier this year I announced my decision to step down as Märit Rausing Director. It has undoubtedly been a huge privilege to lead this superb institution. Much has changed since 2004 when I first took up the role. We have significantly expanded: in 2004 we had 328 students - this year we had 582; our student body is becoming more diverse; our staff body has inevitably grown and the gender balance has changed; we have had outstanding results in successive research assessments; we have moved beyond the concept of art history as an essentially Eurocentric discipline to the understanding that there are many histories of art in different geographies and times, with their own





**Students studying Édouard Manet's *A Bar at the Folies-Bergère, 1882*, in the LVMH Great Room.**

specificities but with many strands of interconnection; we have mounted exhibitions which have again and again received the highest possible accolades.

We now work in different ways: we have moved in significant ways into the digital age; we are more open, thoughtful, and collaborative in everything we do; we partner with cultural institutions, communities and individuals both locally nationally and internationally; we have digitised photographs of our art collection, are on the cusp of publishing the Conway photographic library online – our digitisation volunteer project has engaged nearly 2000 people face to face and hundreds of thousands online – and we will achieve the digitisation of the Witt Library within two years.

As with all UK institutions in the higher education and museums and galleries sector, finances remain challenging but, against the odds, we have secured greater support from the public purse over the years, while inevitably student fees have become a key income strand. Thanks to the work of successive Investment Committees, we have built

up our investments to £66.3 million for 31 July 2022 - over four times its 2004 size. And thanks to the Development team, led by Francesca Hewitt, staff and board members, we have not only continued to increase the annual revenue from philanthropy but raised over £50m for the first major phase of Courtauld Connects. We are indebted to the National Lottery Heritage Fund and to our major and individual donors, and our devoted patrons and friends whose regular support is essential. To all our supporters I echo the Chairman's words of gratitude. Without you, The Courtauld could not be what it has become.

I am delighted that Courtauld Connects Phase One is complete, and look forward to seeing the completion of Phase Two and the realisation of its full architectural and operational vision in a few years' time. I am equally delighted that we are making progress to widen participation in higher education and art history, and open up The Courtauld's offer by expanding our faculty, research, and curricula. We pride ourselves on offering a truly transformative learning experience, open to everyone –

regardless of background. I deeply appreciate the ways in which I have been challenged, inspired, and energised by my Courtauld colleagues, and by our students and alumni. I am profoundly grateful for all the support given by Lord Browne and his predecessors, Nicholas Ferguson and James Hughes-Hallett and all members of the Board and its committees, whether ex-officio, appointed or elected, and to all those who put their trust in us by giving such critical, indeed essential, financial support.

Next summer I will hand over the leadership of The Courtauld to Professor Mark Hallett, confident in the knowledge that it is in excellent hands. I know that you will all support him as you have so generously supported me, ensuring that The Courtauld continues to flourish and to fulfil its important mission.

Thank you.

**Professor Deborah Swallow**

# 21/22 Highlights

## The Courtauld in Numbers



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**89% of The Courtauld's research was deemed world-leading or internationally excellent in terms of originality, significance, and rigour**



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**In the first 8 months of operation, over a quarter of a million visitors – 257,843 to be precise – were welcomed through our doors**





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**33,144 people engaged with our Research Forum, 4,329 in person, 8,928 online, and 19,887 via YouTube**



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**The Courtauld submitted 37 researchers to the exercise**

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**The research environment was found to be of path-leading quality, with 100% assessed as 4\***



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**49.2% of MA students  
received a Distinction,  
with 10.3% achieving a  
High Distinction**

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**32.9% of BA  
students  
achieved a  
First**

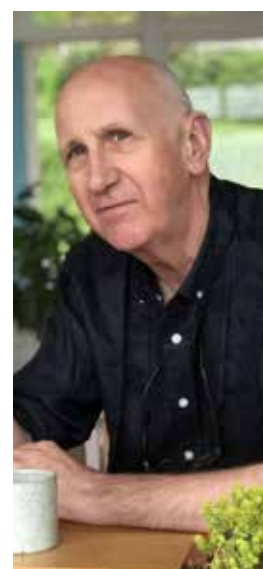
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**13 doctorates  
were awarded**



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**2 Honorary Doctorates  
awarded: Professor  
Kellie Jones and  
Professor Craig Clunas**



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**The Courtauld submission  
included 26 members of History  
of Art faculty, five members of  
Conservation faculty, four senior  
curators, and two early career  
researchers**



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**555 people attended our online open days, with a further 158 prospective students and 74 parents/guardians attending our first in person campus tours since the pandemic began**



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**Over 1,000 people watched our MA History of Art open day on YouTube**



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**21 students from underrepresented backgrounds were supported through our Alumni Mentoring Programme**

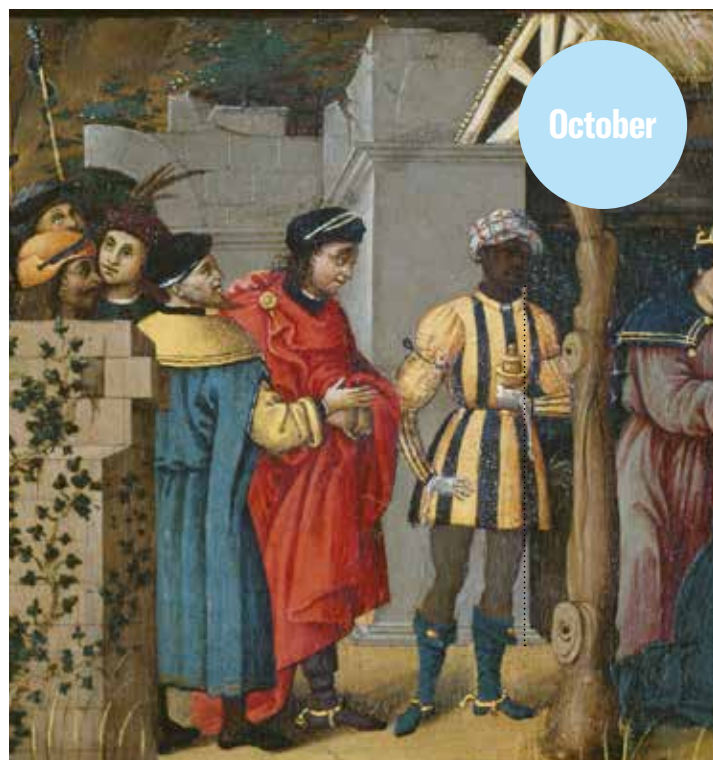


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**4 Open Courtauld Hours – online series providing one-hour packages of pop-up talks, performances, and object study sessions**

# 21/22 Highlights

## The Courtauld Year



**August** The whole community gears up to welcome its students back to in-person teaching for the first time since 2019

**September** The Courtauld announces it is extending its world-leading conservation teaching from autumn 2022

**October** Hidden Figures: Unlocking The Courtauld Collection, Courtauld experts delve into the pictorial and material to unearth the stories of people of colour on display in its Collections

The academic year begins in person, with capability to livestream lectures and run hybrid seminars as required

The Courtauld's new online shop opens for business





**November** Masterpieces from The Courtauld’s world-famous collection were shown on the iconic screen in Piccadilly Circus on Saturday 20 November

The Gallery reopens

**December** His Majesty King Charles III, then His Royal Highness The Prince of Wales, visits the Courtauld Gallery.

**January** The Courtauld Institute of Art and King’s College London announce a new landmark 10-year strategic relationship



**February** The Morgan Stanley Exhibition: Van Gogh. Self-Portraits opens to the public 3 February - 8 May 2022

The Courtauld and Asymmetry Art announce a pioneering collaboration aimed at furthering and diversifying knowledge of Chinese and Sinophone contemporary art

**March** The Courtauld is awarded major grants by Paul Mellon Centre and The Pilgrim Trust for National Wall Paintings Survey project - the only archive of its kind on British wall paintings, both in terms of its scope and the extent of material held

**April** Professor Deborah Swallow announces she is to retire as Märit Rausing Director of the Courtauld Institute of Art after leading the internationally renowned institution for 19 years. An international search is launched





**May** The Courtauld's research is once again assessed as "world-leading" in the REF, tying 1st for research environment, a remarkable accomplishment, and critical given that this supports and enables our world-leading research. The Courtauld is tied 12th in the UK for 4\* research overall, and 6th for 4\* outputs

**June** A collection of significant paintings by Edvard Munch is shown together for the first time in the UK in The Morgan Stanley Exhibition: Edvard Munch. Masterpieces from Bergen , showcasing 18 seminal works

The Courtauld's MA Curating the Art Museum students launch their 2022 exhibition in collaboration with the Zaha Hadid Foundation

Courtauld Connections: Works from our National Partners are presented in a new display in the Project Space at The Courtauld Gallery

**July** The Courtauld Institute of Art announces a collaboration with Art History Link-Up (AHLU) introducing sixth form state supported students to art history

353 students graduate from The Courtauld at a ceremony held at St Clements Dane, Strand

# Strategic Report 2021-22

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 programming and short courses. The Courtauld 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.

We remained focussed this year on developing the Vision and Mission, as outlined on page 9. This is 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 (2019 edition) and in accordance with the Financial Reporting Standard (FRS) 102.

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

	2022 £'000	2021 £'000
Income	25,777	34,478
Expenditure	32,644	21,933
(Deficit)/Surplus before other gains and losses	(6,867)	12,545
Gain on acquisition	-	342
Gain/(Loss) on investments	1,059	9,491
<b>Total comprehensive (expenditure)/ income in the year</b>	<b>(5,808)</b>	<b>22,378</b>
Represented by		
Endowment comprehensive income for the year	275	4,541
Restricted comprehensive income for the year	1,861	13,189
Unrestricted comprehensive (expenditure)/ income for the year	(7,944)	4,648

The consolidated results show a total for restricted and unrestricted comprehensive income and expenditure is a net deficit of £6,083,000 in 2021/22 (2020/21 net income of £17,857,000). This includes market value gain over and above the planned redemption to support the operations of The Courtauld.

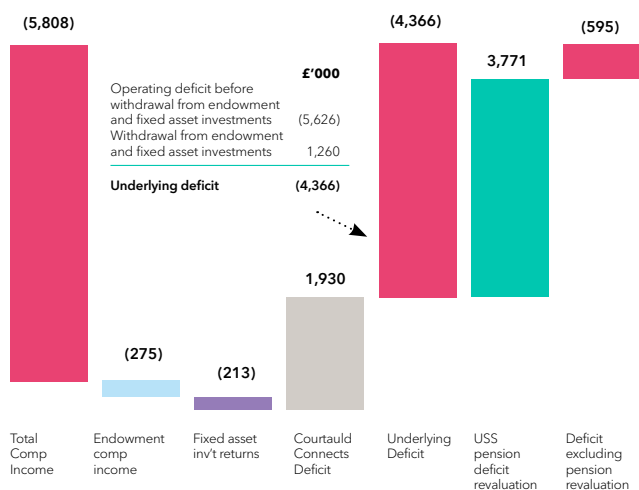
The deficit for the group was £6,867,000 compared to a surplus of £12,545,000 in 2020/21. This deficit includes a pension provision increase of £3,771,000 (2020/21 £270,000). The result includes a net deficit of £1,930,000 (2020/21 £13,734,000 surplus) from Courtauld Connects. This is a deficit due to the impairment recognised of £2,630,000 explained below. The surplus in the prior year arose from fundraising and grants for the Courtauld Connects project exceeding project expenses in the year. It also includes a £493,000 (2020/21 £1,079,000) depreciation charge on the fit-out of the temporary accommodation occupied during the Courtauld Connects building works and which continues to be occupied.

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 £213,000 (2020/21 £4,008,000). There was no addition to fixed asset investments in the year (2020/21 £232,000 arising from the transfer in of the assets and liabilities from The Friends of the Courtauld Institute. £150,000 of this transfer was withdrawn for Courtauld Connects).

The underlying deficit was £4,366,000 (2020/21 surplus £832,000) as shown in the chart and includes withdrawals from the endowment and fixed asset investments of £1,260,000 (2020/21 £1,260,000) for business as usual. The deficit arose in 2021/22 mainly because of an increase in the USS pension deficit of £3,771,000 (2020/21 £270,000). The deficit (excluding the USS pension deficit revaluation) was £595,000 (2020/21 surplus £1,102,000).



## 2021/22 Underlying Deficit £'000



During the year, the endowment comprehensive income reduced to a surplus of £275,000 from a surplus of £4,541,000 in 2020/21.

This includes new donations to the endowment of £252,000 (2020/21 £1,000) and investment income and market value movements of £814,000 (2020/21 £5,423,000). Withdrawals in the year were £791,000 (2020/21 £883,000).

## Courtauld Connects

The Courtauld Connects project incurred £1,227,000 (2020/21 £11,692,000) of capital expenditure. The project related capital cost held within Fixed Assets at the balance sheet date was £37,558,000 (2020/21 £38,961,000) before depreciation. £1,168,000 (2020/21 £1,545,000) is held in restricted reserves towards future project costs.

As Phase One of the project concluded, the costs of construction were reviewed and it was considered appropriate that the additional costs arising from complex archaeological issues and from the challenges during the Covid pandemic would be expensed. An impairment of £2,630,000 has therefore been recognised in 2021/22.

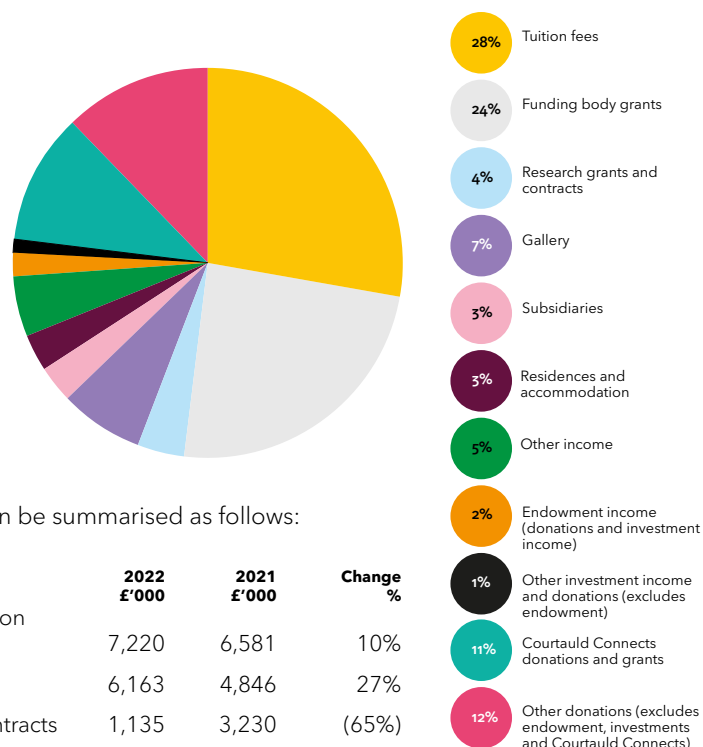
The project also received donations and grants, mainly towards the capital costs, and incurred staff and other expenses. The result was a net deficit in relation to the project in the income and expenditure statement for the year of £1,930,000. In 2020/21, the project received a higher level of donations and grants, mainly towards the capital costs, and recognised an impairment of costs of planning work for Phase Two work on the East Wing of £450,000, reflecting that it was uncertain at the year-end date if this planning work would be used. The result was a net surplus in relation to the project in the 2020/21 income and expenditure statement of £13,734,000.

## 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.

With the reopening of the Gallery and Shop after the completion of Phase One of Courtauld Connects works, income from these areas has exceeded expectations.

## 2022 - How The Courtauld earned its £25,777,000 income



The group's income can be summarised as follows:

	2022 £'000	2021 £'000	Change %
Tuition fees and education contracts	7,220	6,581	10%
Funding body grants	6,163	4,846	27%
Research grants and contracts	1,135	3,230	(65%)
Other income	5,521	6,203	(11%)
Investment income	441	468	(6%)
Donations and endowments	5,297	13,150	(60%)
<b>Total Income</b>	<b>25,777</b>	<b>34,478</b>	<b>(25%)</b>

Total group income for the year was £25,777,000, a decrease of 25% compared to 2020/21.

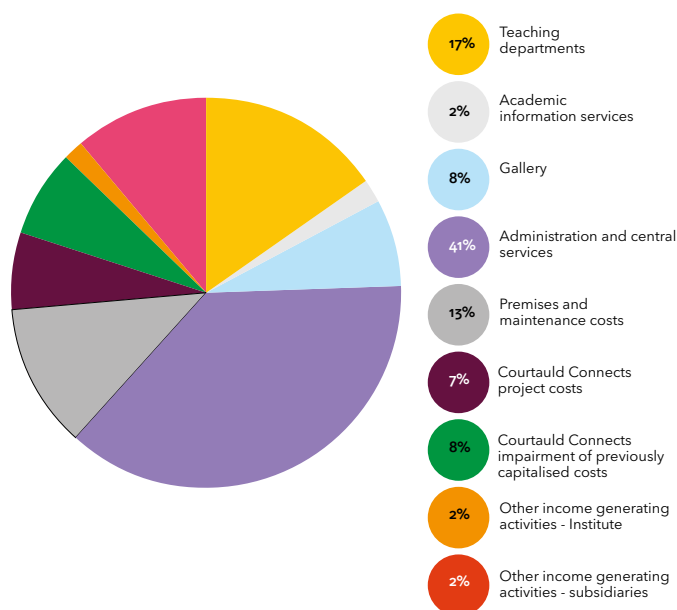
The principal driver is the decrease in Income from donations and endowments by 60% as Phase One of Courtauld Connects was largely completed with the Gallery reopening to the public in November 2021.

Tuition fees increased by 10% due to higher numbers of home and overseas students at both undergraduate and postgraduate level. Funding body grants increased by 27% due to additional Research England grants. Research grants and contracts reduced by 65% mainly due to two one-off capital grants from AHRC in the prior year. These grants supported the Courtauld Connects project work and new equipment for the new conservation of art studios. Other income reduced by 11% as income from the reopening of the Gallery and Shop offset a reduction in the National Lottery Heritage Fund grant for the Courtauld Connects project in the final year of the Phase One building works.



## Group Expenditure

2022 - How The Courtauld spent its £32,644,000 expenditure



The group's expenditure can be summarised as follows:

	2022 £'000	2021 £'000	Change %
Staff costs	13,942	9,929	40%
Other operating expenses	13,880	10,162	37%
Depreciation, amortisation and impairment	4,739	1,801	163%
Interest and other finance costs	83	41	102%
<b>Total Expenditure</b>	<b>32,644</b>	<b>21,933</b>	<b>49%</b>

Total group expenditure for the year was £32,644,000, an increase of 49% compared to 2020/21.

The main reason for the increase is the impact of changes in the USS pension deficit. In 2021/22 the pension deficit increased by £3,771,000 (2020/21 £270,000) primarily due to the impact of the 2020 actuarial valuation, as well as other changes in market conditions and assumptions.

£2,268,000 of the increase in other operating expenses compared with the prior year, reflects increased levels of activity in the Gallery (including security and cleaning) and shop (staff & running costs) as they both re-opened following the completion of Phase One of the Courtauld Connects project works and as life has returned to normality post pandemic.

Depreciation, amortisation and impairment increased by £2,938,000 as Phase One of Courtauld Connects completed and the opening of the Gallery meant that the works carried out could be depreciated.

As noted above, there was also an impairment charge in 2021/22 of £2,630,000 relating to the costs arising from complex archaeological issues and from the challenges during the Covid pandemic which had previously been capitalised. There was an impairment of £450,000 relating to Phase Two Courtauld Connects planning costs in 2020/21.

Total group expenditure includes £513,000 (2020/21 £437,000) for delivery of the Access and Participation plan.

## Gain on investments

	2022 £'000	2021 £'000	Change %
Gain on investments	1,059	9,491	(89)%

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

At 31 July 2022, the group reported net assets of £99,958,000 compared to net assets of £105,766,000 in the prior year. This reduction was driven by the increase in the USS Pension provision of £3,771,000 and the impairment charge of £2,630,000 both mentioned above.

Non-current assets decreased due mainly to the reduction in Fixed Assets arising from the impairment and the commencement of depreciation of the Phase One Courtauld Connects building work. There has been a slight increase in Current Assets as trade debtors have converted to cash.

## 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 using 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 is judged. While the investment horizon of The Courtauld is long-term, asset allocation is discussed at each Committee meeting and formally reviewed at least once per year or as required in the event of a significant change in The Courtauld's operating or financial condition.

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 £840,000 (2020/21 liability of £53,000) 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.

30% of the investment holding is held in cash as at 31 July 2022 (30% at 31 July 2021) reflecting an increased cash holding to implement the Governing Board's decision to use available funds as financing for Phase Two of Courtauld Connects if required until 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	65,794
Additions	252
Investment income	437
Increase/(Decrease) in market value of investments held	1,059
Disposal/redemption of investments	(1,260)
<b>Balance at 31 July</b>	<b>66,282</b>
<hr/>	
Represented by:	
Unit Trusts and Investment Trusts	47,416
Cash balances	19,706
Forward hedging contract	(840)
	<b>66,282</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)

The nature of our operating structure and the scale of the Courtauld Connects project in the financial results mean that a number of the KFI used by HESA to assess performance are not directly relevant to The Courtauld or may not be meaningful. The impact of the large reduction in income from 2020/21 to 2021/22, primarily as a result of Courtauld Connects reaching its conclusion, and the USS pension adjustment in 2021/22 has driven the adverse movement in the first metric below.

However, the following measures in respect of the 2021/22 financial year should be noted:

- The (deficit)/surplus for the year was (26.6)% (2020/21 36.4%) of total income;
- Staff costs for the year represented 54.1% (2020/21 28.8%) of total income;
- Unrestricted reserves were 224.5% (2020/21 185.0%) of total income;
- External borrowing was 11.6% (2020/21 8.7%) of total income; and
- The ratio of current assets to current liabilities was 1.8 (2020/21 1.7).

## Widening Access and Participation

The Courtauld aims to transform the perception of art history and conservation in the UK to become mainstream subjects studied by people from all backgrounds by "recruiting the best possible students with the highest academic and intellectual potential, regardless of their ethnic, economic or social background, who will gain the most from studying at The Courtauld."

To achieve this, The Courtauld's objectives are to:

- Recruit students from a diverse range of backgrounds and support them through the life of their degree.
- Provide a rigorous academic education in art history that prepares students for further study and employment, and who will contribute actively to society across all fields and endeavours. This includes subject knowledge, transferable skills, and greater self-confidence, based around independent, creative, and critical looking, reading, thinking, and writing. We train students to be able to synthesise information to deliver concise, cogent, and persuasive arguments in oral, written, and visual forms.
- Support student success at each stage of the student life cycle from entry to graduation and beyond. Our ethos and policies are driven by values of inclusivity and belonging.

As this plan continues to develop and expand, The Courtauld recruited two new staff members in early 2022 to support the development of the programme and its activities. Consequently, the following initiatives have been undertaken in 21/22:

- Young Peoples' Programme
- Summer University
- The Brilliant Club partnership
- IntoUniversity
- Art History Link-Up



The following initiatives are in progress for the current year:

- Collaboration with KCL on K+ programme
- Development of The Courtauld's Widening Participation programme into a coherent journey for students
- Transition programme for incoming students which commenced this year (2022) with webinars and will be expanded for the next academic year
- School visits: attending HE/Career fairs to build relationships and increase the applicant pool.

## Equality, Diversity, Inclusion, and Anti-Racism

During 2021/22 The Courtauld continued to deliver on its Equality, Diversity, Inclusion, and Anti-Racism (EDI&A) strategy.

Following completion of Phase One of Courtauld Connects, access to the Gallery and its collections including our Conservation studios has improved for the less able-bodied. We remain committed to enhancing this provision further as we progress and implement Phase Two of Courtauld Connects which focuses on space for our academic offer.

The Courtauld continues to strengthen and develop its Widening Participation strategy with the appointment of two new posts in early 2022, a Widening Participation Officer and a Widening Access Schools Officer. The Learning Team has worked closely with The Brilliant Club towards decolonising our collaborative pre-designed programmes, with the support of The Black Curriculum. We have reviewed and updated the content of two Courtauld KS2 and KS3 handbooks in line with this process. These will be delivered to pupils across the UK as part of The Brilliant Club's Scholars Programme in 2022/23 onwards. We are working with an external Access consultant to define our future accessible learning strategy.

The Courtauld is delivering more online content, in addition to our in-person provision, which is increasing our reach to wider audiences.

Our new strategic relationship with KCL is enabling us to begin to broaden the modules we can offer our students - notably presenting the opportunity for electives in other humanities departments, including a range of languages for our BA1 students, and the chance to continue the study of languages beyond BA1. Languages are invaluable to accessing an understanding of global issues and cultures. Beyond this, our students are now part of a larger and more diverse student body, with access to a range of enhanced student activities, societies, and support.

To continue with diversifying the curriculum, recruitment was underway to appoint to further new academic positions with a focus on Buddhist Art History and Conservation to be ready for the 2022/23 academic year. Further appointments in Early Islamic art and Early Modern South Asian art were approved and will be made in 2022/23.

Reforms approved for the BA in Art History curriculum in 2020/21 were advertised ready for implementation in 2022/23, and will facilitate the inclusion of vocational focused modules.

Following the appointment of Professor Dorothy Price as Professor in Modern and Contemporary Art and Critical Race Art History, and Indie A. Choudhury as Lecturer in Modern and Contemporary Art, in 2021/22 we further broadened our undergraduate curriculum, with new modules including 'Decolonising the Gaze' (BA1), 'Modern Women, Modern Artists' (BA1), 'The Black Imaginary' (BA3). Recruitment also began for two new MA History of Art special options, "There ain't no black in the union jack": Race and Nation in Postwar Black British Art (Choudhury) and "Black Futures. Reimagining Modernism after critical race" (Price). This sets The Courtauld apart as a real centre for the discussion and development of research-led teaching in these areas, and all these options have been over-subscribed, demonstrating the student interest in these fields.

The Research Forum programmes a diverse range of public and internal events that focus on global art historical narratives, minority artists and decolonisation.

Importantly, as part of the Research Forum's core programming, academic leads continue to invite speakers from a plethora of backgrounds to talk on all areas of art historical research (not simply their own lived experience). This aims to increase the variety of both research related content platformed at The Courtauld and to encourage new, hard-to-reach audiences to attend. Additionally, the Open Courtauld programme continues to reinterpret our collection and research through interdisciplinary means (poetry, performance and making) to allow for new perspectives and new ways into the work of The Courtauld. The Decolonising Action Group, following on from the Decolonising Reading Group scheme of the past two years, facilitates cross institutional debate, contemplation, and staff and student input into the curriculum and content production of The Courtauld.

Other highlights include:

- Munch and Van Gogh - these exhibitions engaged with questions about mental health and wellbeing in relation to the two artists and their work, through interpretation and associated activities and presentations
- A completely new suite of in-gallery interpretation was rolled out based upon extensive work carried out in collaboration with an interpretation consultancy, Narrative Threads. Our interpretation aims to be significantly more open and inclusive in its tone and content than previously to engage broader audiences. It also addresses directly themes such as race, colonialism, gender and sexuality as they relate to relevant objects in the collection.

## Our employees

After completing a pay review across The Courtauld, formal consultation has started with the trade unions in relation to the development of a new overarching HR remuneration framework statement, along with associated pay policies to help address issues of pay equity. The Courtauld signed up to a new Employee Assistance Programme for employees offering additional support not previously catered for, and rolled out a Recruitment & Selection on-line module for managers to improve fair recruitment practices. The staff induction programme was extended to the new front-of-house team, including our security officers, raising awareness of key HR policies to promote a positive culture, and working environment.

## Carbon Management Plan

The Courtauld remains fully committed to managing its carbon emissions and outlining its commitments and plan to deliver net zero greenhouse gas emissions by 2050.

While there has been an increase in kWh consumption, The Courtauld has achieved a small reduction in its Scope 1 and 2 carbon emissions against the preceding year because of the balance of the increase being higher for gas than for electricity.

Our reported increase in consumption in comparison to 20/21 is a) due to the correction of a previous faulty automatic meter and b), an increase in expected consumption during the non-heating season. We believe this to be linked to servicing and maintaining gallery environmental conditions following the reopening of the Gallery to the public in November 2021.

In total, The Courtauld consumed (2,750,549 kWh of energy (1,041,577 kWh of electricity and 1,708,972 kWh of gas) for 2021/22 (2020/21 2,489,748 kWh, adjusted), generating 513tCO<sub>2e</sub> (2020/21 515 tCO<sub>2e</sub>). This represents a modest decrease of 2tCO<sub>2e</sub> against the preceding year. As a result, The Courtauld is maintaining Scope 1 and 2 carbon emissions within the 35% reduction target it set itself to achieve by 2019/20. A period of monitoring and learning to optimise mechanical plant servicing the Gallery continues as we seek to optimise and reduce consumptions.

Whilst Scope 3 calculations for 2021/22 have not been finalised in time for this report, we now have access to a more robust methodology and have recalibrated three years of data for calculating these emissions. For 2020/21 our Scope 3 emissions were 4,998 MTCO<sub>2</sub> (excluding capital projects and building related professional services) which is an increase of 1,951 MTCO<sub>2</sub> compared with 2019/20 (3,047 MTCO<sub>2</sub> readjusted). The increase is primarily related to the one-off purchase of scientific equipment for our refurbished Conservation studios equating to 1,957 MTCO<sub>2</sub>. Were this to be excluded, the adjusted figure for 2020/21 would be 3,041 MTCO<sub>2</sub>. Whilst on par with 2019/20, this exceeds by 705 MTCO<sub>2</sub> our original target of achieving 2,336 MTCO<sub>2</sub> by

this date. With access to recalibrated data benchmarked to the same category headings from 2018/19, we will be able to recast our reduction targets to focus in on continuing to improve our overall sustainability and drive to be carbon neutral.

Scope 3 emissions associated with construction and professional services supporting this was 2,468 MTCO<sub>2</sub>, compared with 3,810 MTCO<sub>2</sub> in 2019/20. This reduction aligns with completion of the majority of the Courtauld's transformation project Courtauld Connects Phase One at Somerset House.

## 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 Statement of Internal Control' (see page 35).

The following key strategic risks have been identified by the Senior Management Team as the highest risks to The Courtauld:

- Failure to achieve long term sustainability
- Failure to raise sufficient cash funds to maintain short term solvency
- Failure to deliver an outstanding student experience.

The impact and ongoing effects of the Covid-19 outbreak on The Courtauld's key strategic risks continued to be reviewed and managed as part of the risk management framework.

The Courtauld continued to take mitigating actions re COVID-19 with 'Silver' and 'Gold' groups managing the response to the pandemic within the organisation throughout the year, the Director reporting to the Governing Board at each of its meetings. The groups received and considered all relevant advice including from Public Health England and UUK while those continued to be issued. The Courtauld also worked closely with other University of London colleges to ensure a consistent and prompt response to developments. The financial consequences of the pandemic were monitored closely through the Senior Management Team and the Finance and Operations Committee.

The impact of Brexit on The Courtauld remains uncertain, in particular in relation to the ongoing recruitment and retention of both staff and students from the EU due to the removal of home fee status and undergraduate and postgraduate support for EU students from June 2020, starting in 2021/22.

The Courtauld's Governing Board has continued to meet more frequently than required by its terms of reference to review the ongoing key strategic risks throughout another challenging year for The Courtauld and the sector as a whole, and to review the progress of the agreed mitigating actions taken throughout.

## 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 people, estate and facilities 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 to ensure that its future remains in its own hands.

Courtauld Connects is at the heart of the Strategic Plan. The completion of Phase One of Courtauld Connects, which was a major priority, was successfully achieved despite the challenges of COVID-19, and has radically transformed access to The Courtauld and its collections through a programme of physical redevelopment and organisational change. The Leon Kossoff Learning Centre and Linbury Conservation Centre are now open.

The transformation of Somerset House North Block East Wing (which includes the library vaults), will enable teaching, research, and public engagement and bring The Courtauld back together in Somerset House. The work constitutes the major part of Phase Two of Courtauld Connects, which already has Planning Permission and is developed to RIBA Stage 3. Work to develop the design (RIBA Stage 4) was advancing at the end of July 2022. In parallel, a feasibility study (RIBA Stage 0) was commissioned to explore changing the use of Duchy House, currently student accommodation, to housing academic and professional services staff. This option is facilitated by our strategic relationship with KCL, whereby Courtauld students have the option to live in KCL accommodation, alongside accommodation offered by the University of London. The campaign to raise the necessary funds is well developed. The fastest possible timetable would see the completion of the project ready for the beginning of academic year 2025/26 but depends on fundraising success.

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 continues to hold a significant part of the endowment in cash as financing during the Courtauld Connects project..

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



**Professor Deborah Swallow**  
Märit Rausing Director



# 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 regulated by the Office for Students (OfS) under the Charities Act 2011. 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 1,5,6  
(Märit Rausing Director,  
Courtauld Institute of Art)  
Professor James Cuno 4  
(President and CEO, J Paul Getty Trust)  
(until 31 July 2022)  
Mr Andrew Hochhauser QC 1  
(Chairman, Samuel Courtauld Trust)  
Ruby Bansal (until 31 July 2022)  
(President, Courtauld Students' Union)  
Diego Arteché Ibinarriaga (from 1 July  
2022) (Incoming President,  
Courtauld Students' Union)

### Appointed Members

The Lord Browne of Madingley 1,3  
Professor Julia Black 3  
Professor Sir Leszek Borysiewicz 3  
Mr Peter Budd 1  
Ms Charmian Caines 8,9,10  
Dr Gabriele Finaldi 7  
Dr John Garcia 1,9  
Mr Hugues Lepic 2,4  
Ms Sally Osman 2,3,5,8  
Mr Franck Petitgas 1,3  
Dame Julia Peyton-Jones 1,7  
(until 24 November 2021)

### Members elected by and from the Academic Staff

Professor Sussan Babaie 1,5,9  
Dr Scott Nethersole 5  
Dr Austin Nevin 5

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

Ms Elizabeth Harris  
Mr Anthony Tyrrell 9

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

Dr Karen Serres 2,7

### 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 Alixe Bovey,  
Dean & Deputy Director,  
Head of Research  
Ms Áine Duffy,  
Director of Marketing and  
Communications (from 3 May 2022)  
Ms Lorna Gozzard, Director  
of Commercial, Marketing &  
Communications (to 31 December 2021)  
Ms Francesca Hewitt,  
Director of Development  
(maternity leave to 2 May 2022)  
Ms Lila Kanner,  
Acting Director of Development  
(to 25 April 2022)  
Mr Robert Thorpe,  
Director of Operations & Company  
Secretary (until 20 August 2021)  
Ms Monica Varriale,  
Chief Finance and Strategy Officer  
(from 11 May 2022)  
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

The particulars of significant events which have occurred since the end of the financial year and an indication of likely future developments in the business have been included in the Strategic Report on page 24.

### 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:

Sarah Robertson MSc FCGI  
Company Secretary

Registered address:  
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 Exhibitions & Gallery sub-Committee
8. Member of the Commercial & Marketing sub-Committee
9. Member of the Finance & Operations sub-Committee
10. Member of the Ethics sub-Committee



Inspecting a work on paper in the Prints and Drawings Study Room.

# 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'). The Courtauld continued to maintain the governance structure, as implemented in the 2018/19 academic year, with some minor adaptations. The Governing Board is compliant with the mandatory conditions of the Code and continues to improve its processes in line with its guidance. A full review of the effectiveness of the governance structure, was undertaken in Spring/Summer 2022, including a full review of its compliance with the CUC Code. Proposals resulting from this review will be discussed and agreed changes implemented in the course of 2022/23. 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 Higher Education (HE) Audit Committees 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 Courtauld'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 2022 and up to the date of approval of the financial statements, and accords with Office for Students guidance.

The Courtauld has published its Memorandum and Articles of Association and details regarding Governance on its website [www.courtauld.ac.uk](http://www.courtauld.ac.uk). This includes biographies of the Governing Board membership as well as details of the membership of the executive Senior Management Team.

There is further information about the Committee structure and membership disclosed in the Annual Report and Financial Statements each year. Past copies of the Annual Report and Financial Statements are available on the website.

## Governing Board and its Committees

The Governing Board meets at least three times a year and is supported by several committees. This year the Governing Board met seven times. The Governing Board 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 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 has a lay Chair. The Governing Board may establish special Committees, Sub-Committees and Working Groups as required for particular purposes and may delegate additional powers to existing Committees from time to time, in accordance with the Terms of Reference.

The Courtauld also has an Academic Board which is the 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 at least 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 Courtauld's annual report and accounts, before their submission to the Governing Board. The internal auditors and external auditors attend every meeting. The Audit and Risk Committee reports annually to the Governing Board.

The Chairman's Committee was defined as having 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. When first constituted, it did this through regular reporting on performance against strategic and financial objectives, key challenges and developments and insight from other stakeholders. The Committee initially met regularly to review proposals to the Governing Board, assess options and provide recommendations to the Governing Board and when required to address matters which were either urgent or which the Chair determined would be best addressed outside regular Governing Board meetings.

The Chairman's Committee was 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.
- The Courtauld Connects Building Implementation Group oversaw the delivery of Phase One of Courtauld Connects capital project, and advised the Chairman's Committee and Governing Board on all aspects of the project including budget, programme, and quality. It has subsequently been renamed the Courtauld Connects Project Board.

In January 2021, the Chairman's Committee was suspended to facilitate more frequent meetings of the Governing Board. The sub-Committees of the Chairman's Committee have continued to meet and report directly to the Board.

The Governance, Nominations and Remuneration Committee meets at least once a year 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.

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 appoints any investment advisers and managers on such terms as the Committee shall think fit.

The Joint Honours Committee meets at least once a year 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.

In June 2022, the Governing Board constituted a Succession Committee with the specific responsibility of overseeing the appointment process of the Director following the announcement of the retirement of Deborah Swallow, the Märit Rausing Director in April 2022. The Committee is made up of representatives from the Governing Board, both lay and elected governors, the Executive, the head of the Student Union and two independent members and is responsible for the selection and interviewing of applicants through to making an appointment recommendation to the Governing Board in respect of the final appointment of the Director.

## Risk Management and Statement of Internal Control

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 Strategic Report, there has been continuing review and improvement of the Risk Management framework.

The Courtauld Governing Board has continued to take the following actions in relation to this:

- maintained a risk management policy for The Courtauld, 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).

The Financial Regulations set out the provisions for the financial management of The Courtauld. Their application ensures that The Courtauld operates within a robust, sound financial management and control environment which seeks to prevent and detect corruption, fraud, bribery and other irregularities. They are reviewed periodically to provide assurance that they continue to provide an appropriate framework and set of principles that support these objectives.

The Audit and Risk Committee also reviews the effectiveness of internal controls on an ongoing basis and monitors any remedial action required. It is supported by an independent Internal Audit function which undertakes a programme of audits across both financial and non-financial processes and activities, informed by an assessment of the key risks faced by the organisation. The Internal Audit programme is agreed annually and is designed to deliver an annual opinion to provide assurance to the Audit and Risk Committee on The Courtauld's arrangements for risk management, control, governance, economy, efficiency and effectiveness.

The Audit and Risk Committee meets with the External Auditor to consider the nature and scope of the annual audit and to discuss audit findings and the internal control report arising from the audit of the annual financial statements.

Key elements of the control environment are:

- The Governing Board discusses and approves the strategy, plans, budget, and the risks to achieving them.
- The Senior Management Team regularly reviews risk to achieving objectives and identifies mitigating controls and actions to take.
- Policies, procedures, and controls are embedded within processes including approval limits, segregation of duties and regular reporting and review against budgets.
- The Committees of the Governing Board provide additional scrutiny over key elements of performance and decision making.

Overall, the Internal Audit annual report gave an opinion of 'satisfactory assurance' that The Courtauld maintained adequately designed and effective arrangements for risk management, control and governance, and economy, efficiency, and effectiveness.

The internal audit annual opinion relates to the period from 1 August 2021 to 31 July 2022 which is dated 2 November 2022.

### **Use of Public Funds**

The Courtauld Institute of Art receives public funding from the Office for Students (OfS) and Research England.

As a recipient of this funding, it delivers the teaching, research, gallery, and library obligations that it promised when the funding was secured. It complies with extensive regulatory reporting obligations and seeks to deliver these professionally and to a high standard.

The Courtauld has Financial Regulations which set out how funds may be spent and the processes for approval and review that are required. The Courtauld sets an annual budget and agrees the activities that will be delivered in the year ahead. The budget is reviewed by the Finance and Operations Committee and approved by the Governing Board. A longer term Business Plan with financial projections is also regularly updated and reviewed by the Governing Board. The finance processes are subject to regular Internal Audit scrutiny with any identified weaknesses rectified promptly.

The Governing Board is satisfied that the controls that are operated ensure the regularity and propriety in the use of the public funding provided to The Courtauld.



Visitors viewing Edward McGuire: Portrait of Seamus Heaney, 1974, lent by the Ulster Museum, Belfast as part of the display, Courtauld Connections, works from our National Partners, celebrating our relationships with partner museums in Hull, Coventry, Preston, Wolverhampton, Belfast and Braintree.



# Statement of Governing Board responsibilities in respect of the annual report and the financial statements

The Governing Board is responsible for preparing the Strategic Report, the Directors' Report, the Governance Statement 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 Governing Board (the members of which are the Directors of the Institute company for the purposes of company law) to prepare financial statements for each financial year. Under that law it has 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 requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction') and the 2019 Statement of Recommended Practice - Accounting for Further and Higher Education.

Under company law the Governing Board must not approve the financial statements unless it is 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, and of the Group's cash flows for that period. In preparing each of the group and parent Institute financial statements, the Governing Board is 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 and the 2019 Statement of Recommended Practice- Accounting for Further and Higher Education 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 it either intends 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 it to ensure that its financial statements comply with the Companies Act 2006.

It is responsible for 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, and has 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 is 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, UK Research and Innovation (including Research England) and the Education and Skills Funding Agency and the Department for Education 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 university'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 the 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 2022 which comprise the Consolidated and Institute Statement of Comprehensive Income and Expenditure, Consolidated and Institute Statement of Changes in Reserves, Consolidated and Institute Balance Sheets, Consolidated Cash Flow Statement and related notes, including 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 of the Institute's affairs as at 31 July 2022, and of the Group's and of 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
- 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.

### Going concern

The Governing Board has prepared the financial statements on the going concern basis as it does not intend to liquidate the Group or the Institute or to cease their operations, and as it has concluded that the Group and the Institute's financial position means that this is realistic. It has 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").

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

Our conclusions based on this work:

- we consider that the Governing Board's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;

- we have not identified, and concur with the Governing Board's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Institute's ability to continue as a going concern for the going concern period.

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

### Fraud and breaches of laws and regulations - ability to detect

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

Our risk assessment procedures included:

- Enquiring of the Audit and Risk Committee, internal audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud; and
- Reading Governing Board, Investments Committee, Remuneration Committee and Audit and Risk Committee minutes; and
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that research income and donations may be recorded in the wrong financial year and that the Group's management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation.
- Testing a sample of research income recorded during the year to confirm that the income recorded is consistent with the activities undertaken and in line with any performance conditions in the contract.
- Testing a sample of donations to confirm they had been received within the period and income recorded is consistent with any associated performance conditions.
- Testing a sample of transactions incurred around the year end in order to consider whether income transactions had been recorded within the correct accounting period.
- Assessing significant accounting estimates for bias.

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

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

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

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including, financial reporting legislation (including related companies' legislation), taxation legislation, pensions legislation and specific disclosures required by higher education legislation and regulation and charities legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Institute's registration with the Office for Students, or the need to include significant provisions. *Whilst the Group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.* Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governing Board and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We have reported separately on the Institute's use of funds in the section of our audit report dealing with other legal and regulatory requirements.

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

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

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

## Other information

The Governing Board is responsible for the other information, which comprises the Strategic Report, Directors' Report and 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, Directors Report and Governance Statement, which together constitute the strategic report and 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 its statement set out on page 38, the Governing Board (the members of which 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 by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- 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;
- income has been applied in accordance with the Institute's Statutes;
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

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

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in Note 9b has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 6 to the financial statements, has been materially misstated.

We have nothing to report in these respects.

## 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 paragraph 13(2) of the University's Articles of Government 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, Canary Wharf, London, E14 5GL  
9 December 2022

# Consolidated and Institute Statement of Comprehensive Income and Expenditure

Year ended 31 July 2022

	Notes	Year ended 31 July 2022		Year ended 31 July 2021	
		Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
<b>Income</b>					
Tuition fees and education contracts	1	7,220	7,220	6,581	6,581
Funding body grants	2	6,163	6,163	4,846	4,846
Research grants and contracts	3	1,135	1,135	3,230	3,230
Other income	4	5,521	4,818	6,203	6,189
Investment income	5	441	441	468	468
<b>Total income before endowments and donations</b>		<b>20,480</b>	<b>19,777</b>	<b>21,328</b>	<b>21,314</b>
Donations and endowments	6	5,297	5,297	13,150	13,150
<b>Total income</b>		<b>25,777</b>	<b>25,074</b>	<b>34,478</b>	<b>34,464</b>
<b>Expenditure</b>					
Staff costs	7	13,942	13,514	9,929	9,916
Other operating expenses		13,880	13,607	10,162	10,135
Depreciation, amortisation and impairment	10/11	4,739	4,737	1,801	1,801
Interest and other finance costs	8	83	83	41	41
<b>Total expenditure</b>	9	<b>32,644</b>	<b>31,941</b>	<b>21,933</b>	<b>21,893</b>
<b>(Deficit)/ Surplus before other gains losses and share of operating surplus/deficit of joint ventures and associates.</b>		<b>(6,867)</b>	<b>(6,867)</b>	<b>12,545</b>	<b>12,571</b>
Gain on acquisition		-	-	342	342
Gain/(loss) on investments		1,059	1,059	9,491	9,491
<b>(Deficit)/ Surplus before tax</b>		<b>(5,808)</b>	<b>(5,808)</b>	<b>22,378</b>	<b>22,404</b>
Taxation		-	-	-	-
<b>Total comprehensive (expenditure)/ income for the year</b>		<b>(5,808)</b>	<b>(5,808)</b>	<b>22,378</b>	<b>22,404</b>
Represented by:					
Endowment comprehensive income for the year		275	275	4,541	4,541
Restricted comprehensive income for the year		1,861	1,861	13,189	13,189
Unrestricted comprehensive (expenditure)/ income for the year		(7,944)	(7,944)	4,648	4,674
		<b>(5,808)</b>	<b>(5,808)</b>	<b>22,378</b>	<b>22,404</b>

All items of income and expenditure relate to continuing activities

# Consolidated and Institute Statement of Changes in Reserves

Year ended 31 July 2022

Consolidated	Note	Income and expenditure account			Revaluation reserve	Total
		Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
<b>Balance at 1 August 2020</b>		<b>44,448</b>	<b>3,479</b>	<b>32,857</b>	<b>2,604</b>	<b>83,388</b>
Reclassified in year from endowment assets to unrestricted fixed asset investments		(13,277)	-	13,277	-	-
Surplus/(deficit) from the income and expenditure statement		4,541	13,189	4,648	-	22,378
Release of restricted funds spent in year		-	(9,839)	9,839	-	-
<b>Total comprehensive income for the year</b>		<b>(8,736)</b>	<b>3,350</b>	<b>27,764</b>	-	<b>22,378</b>
<b>Balance at 31 July 2021</b>		<b>35,712</b>	<b>6,829</b>	<b>60,621</b>	<b>2,604</b>	<b>105,766</b>
Surplus/(deficit) from the income and expenditure statement		275	1,861	(7,944)	-	(5,808)
Release of restricted funds spent in year	20	-	(1,969)	1,969	-	-
<b>Total comprehensive income for the year</b>		<b>275</b>	<b>(108)</b>	<b>(5,975)</b>	-	<b>(5,808)</b>
<b>Balance at 31 July 2022</b>		<b>35,987</b>	<b>6,721</b>	<b>54,646</b>	<b>2,604</b>	<b>99,958</b>
Institute		Income and expenditure account			Revaluation reserve	Total
		Endowment £'000	Restricted £'000	Unrestricted £'000	£'000	£'000
<b>Balance at 1 August 2020</b>		<b>44,448</b>	<b>3,479</b>	<b>32,775</b>	<b>2,604</b>	<b>83,306</b>
Reclassified in year from endowment assets to unrestricted fixed asset investments		(13,277)	-	13,277	-	-
Surplus/(deficit) from the income and expenditure statement		4,541	13,189	4,674	-	22,404
Revaluation of heritage assets in year		-	-	-	-	-
Release of restricted funds spent in year		-	(9,839)	9,839	-	-
<b>Total comprehensive income for the year</b>		<b>(8,736)</b>	<b>3,350</b>	<b>27,790</b>	-	<b>22,404</b>
<b>Balance at 31 July 2021</b>		<b>35,712</b>	<b>6,829</b>	<b>60,565</b>	<b>2,604</b>	<b>105,710</b>
Surplus/(deficit) from the income and expenditure statement		275	1,861	(7,944)	-	(5,808)
Release of restricted funds spent in year	20	-	(1,969)	1,969	-	-
<b>Total comprehensive income for the year</b>		<b>275</b>	<b>(108)</b>	<b>(5,975)</b>	-	<b>(5,808)</b>
<b>Balance at 31 July 2022</b>		<b>35,987</b>	<b>6,721</b>	<b>54,590</b>	<b>2,604</b>	<b>99,902</b>



# Consolidated and Institute Balance Sheet

	Notes	As at 31 July 2022		As at 31 July 2021	
		Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
<b>Non-current assets</b>					
Intangible assets	10	130	130	33	33
Fixed assets	11	34,795	34,786	38,046	38,043
Heritage assets	11	3,907	3,907	3,907	3,907
Investments	12	66,282	66,282	65,794	65,794
		<b>105,114</b>	<b>105,105</b>	<b>107,780</b>	<b>107,777</b>
<b>Current assets</b>					
Stock	13	176	-	2	-
Trade and other receivables	14	1,431	1,680	3,817	3,809
Cash and cash equivalents	21	7,492	7,318	5,196	5,137
		<b>9,099</b>	<b>8,998</b>	<b>9,015</b>	<b>8,946</b>
Less: Creditors: amounts falling due within one year	15	(4,986)	(4,932)	(5,407)	(5,391)
<b>Net current assets</b>		<b>4,113</b>	<b>4,066</b>	<b>3,608</b>	<b>3,555</b>
<b>Total assets less current liabilities</b>		<b>109,227</b>	<b>109,171</b>	<b>111,388</b>	<b>111,332</b>
Creditors: amounts falling due after more than one year	16	(3,000)	(3,000)	(3,000)	(3,000)
<b>Provisions</b>					
Pension provisions	17	(6,255)	(6,255)	(2,597)	(2,597)
Other provisions	17	(14)	(14)	(25)	(25)
<b>Total net assets</b>		<b>99,958</b>	<b>99,902</b>	<b>105,766</b>	<b>105,710</b>
<b>Restricted Reserves</b>					
Income and expenditure reserve - endowment reserve	19	35,987	35,987	35,712	35,712
Income and expenditure reserve - restricted reserve	20	6,721	6,721	6,829	6,829
<b>Unrestricted Reserves</b>					
Income and expenditure reserve - unrestricted		54,646	54,590	60,621	60,565
Revaluation reserve		2,604	2,604	2,604	2,604
<b>Total Reserves</b>		<b>99,958</b>	<b>99,902</b>	<b>105,766</b>	<b>105,710</b>

The notes on pages 50 to 71 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 5 December 2022 and were signed on its behalf by



**The Lord Browne of Madingley**  
Chairman of the Governing Board



**Professor Deborah Anne Swallow**  
Marit Raising Director

# Consolidated Cash Flow Statement

Year ended 31 July 2022

	Notes	Year ended 31 July 2022 £'000	Year ended 31 July 2021 £'000
<b>Cash flow from operating activities</b>			
(Deficit)/Surplus for the year		(5,808)	22,378
<b>Adjustment for non-cash items</b>			
Depreciation, amortisation and impairment	10/11	4,739	1,801
Increase in stock	13	(174)	(2)
Decrease/(increase) in debtors	14	2,386	(3,093)
Decrease in creditors	15	(703)	(220)
Increase in pension provision	17	3,635	160
Decrease in other provisions	17	(11)	(46)
<b>Adjustment for investing or financing activities</b>			
Investment income	5	(441)	(468)
Interest payable	8	83	41
Gain on investments		(1,059)	(9,491)
New fixed asset investments donations	12	-	(232)
New endowment donations	12	(252)	(1)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>2,395</b>	<b>10,827</b>
<b>Cash flows from investing activities</b>			
Withdrawal of investments		1,260	1,410
Investment income	5	4	1
Payments made to acquire intangible assets		(107)	(10)
Payments made to acquire fixed assets		(1,256)	(11,675)
		<b>(99)</b>	<b>(10,274)</b>
<b>Cash flows from financing activities</b>			
Interest paid	8	-	(3)
New unsecured loans	18	-	3,000
Capital element of finance lease payments	24	-	(32)
		<b>-</b>	<b>2,965</b>
Increase/(Decrease) in cash and cash equivalents in the year		2,296	3,518
<b>Cash and cash equivalents at beginning of the year</b>			
	21	<b>5,196</b>	<b>1,678</b>
<b>Cash and cash equivalents at end of the year</b>			
	21	<b>7,492</b>	<b>5,196</b>

# Statement of Principal Accounting Policies

Year ended 31 July 2022

## 1. Basis of preparation

The Group and parent Institute financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education (2019 edition). They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Accounts Direction issued by the Office for Students (OfS), the Terms and conditions of funding for higher education institutions issued by the Office for Students and the Terms and conditions of the Research England grant.

The Institute is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

## 2. Basis of consolidation

The consolidated financial statements include the Institute and all its subsidiaries for the financial year to 31 July 2022.

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.

On 1 August 2020 the business activities, assets and liabilities of The Friends of the Courtauld Institute (Charity number 312911) were transferred to the Courtauld Institute of Art. The Courtauld Institute of Art continues to run the Friends membership programme, for which it charges a fee, and through which it offers a variety of events including lectures and private views both at The Courtauld and elsewhere. The Friends of the Courtauld Institute has been dissolved and removed from the Charity Commission register.

## 3. Going Concern

The Group and parent Institute's activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report which forms part of the Directors' Report. The Strategic Report also describes the financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

The financial statements have been prepared on a going concern basis which the Governing Board considers to be appropriate for the following reasons.

The Governing Board has prepared cash flow forecasts for a period of 20 months from the date of approval of these financial statements. After reviewing these forecasts the Governing Board is of the opinion that, taking account of severe but plausible downsides, including the anticipated ongoing impact of COVID-19 and increased inflation, the Group and parent Institute will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The Governing Board considered the following points in reaching its conclusion:

- The impact of a lower intake of students for 2022/23 and 2023/24 was considered reflecting the challenges of travel and study following the COVID-19 pandemic and with the increases in cost of living. The enrolment process for October 2022 has allowed this impact to be quantified with more certainty.
- A number of cost and income budgets and contingencies have been included in projections to reflect the uncertainty of the year ahead. The risk that there is an impact of both the pandemic and cost of living increases on income streams, such as philanthropy, has been considered.
- The Courtauld Gallery re-opened in 2021/22. The projections for visitor numbers and revenues for subsequent years have been reviewed and revised downwards for 2022/23 and 2023/24 reflecting the likely continued impact of the pandemic and increased cost of living on visitors to London.
- The Courtauld took legal advice and identified a proportion of the investment portfolio could be withdrawn to support the institution through the building project and to support increased operational cash needs. The investments were liquidated and were held as cash at 31 July 2021 and continue to be held at 31 July 2022. These can be drawn during 2022/23 and 2023/24 to provide the required cash to continue to deliver the project and trade should this be required.

Consequently, the Governing Board is confident that the Group and parent Institute will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a 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 stream for the general benefit of the Institute.
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.

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.

In January 2021 the Institute received legal advice recommending that some balances currently held within its permanent unrestricted endowment funds did not meet criteria to require their recognition as an endowment. Following review by the Governing Board it was agreed that a proportion of the current endowment funds would be reclassified to unrestricted funds. This took the form of a transfer between reserves balances, however unrestricted funds have fewer restrictions on the amount and timing in which the funds are able to be applied.

## 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 of 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 career

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) with related expenses being recognised 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.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post-valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and 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.

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. 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.

Courtauld Connects Land and Buildings - depreciated on a straight-line basis over the period from the Gallery opening to the public on 19 November 2021 to the first break clause date in the lease on 30 June 2042.

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.

No depreciation is charged on assets in the course of construction.

### 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%-25% 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 - 25%-33% per annum from the year of acquisition

### c) Rare books and artefact

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

Fixed asset investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment in their value. Listed assets are included in the balance sheet at market value.

Investments that form part of endowment assets are included in the balance sheet at market value.

Investments in jointly controlled entities, associates and 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:

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

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.



# Notes to the Financial Statements

For the year ended 31 July 2022

## 1. Tuition fees and education contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
UK Higher Education students	3,171	3,171	2,930	2,930
European Union (EU) (excluding UK) students	996	996	988	988
Non-EU students	3,053	3,053	2,663	2,663
	7,220	7,220	6,581	6,581

## 2. Funding body grants

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
OFS and Research England recurrent grants	6,065	6,065	4,711	4,711
OFS and Research England capital grants	98	98	135	135
	6,163	6,163	4,846	4,846

## 3. Research grants and contracts

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Research councils	385	385	519	519
Research council capital grants	-	-	2,212	2,212
UK based charities	234	234	242	242
EU Charity	68	68	65	65
Other grants and contracts	448	448	192	192
	1,135	1,135	3,230	3,230

## 4. Other income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
The Courtauld Gallery- admissions and events	1,704	1,704	-	-
SCT Enterprises Ltd (The Gallery Shop)	768	65	14	-
Residences and accommodation	667	667	425	425
Other income	2,382	2,382	5,764	5,764
	5,521	4,818	6,203	6,189

Other income has decreased due to higher funding from the National Lottery Heritage Fund for the Courtauld Connects building work in the prior year.

## 5. Investment income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Investment income on endowments	238	238	254	254
Investment income on general reserves	199	199	213	213
Other investment income	4	4	1	1
	441	441	468	468

## 6. Donations and endowments

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
New endowments	252	252	1	1
Donations with restrictions	2,813	2,813	11,290	11,290
Unrestricted donations	2,232	2,232	1,859	1,859
	5,297	5,297	13,150	13,150

**Note:** The source of grant and fee income, included in notes 1 to 3 is as follows:

## Grant and Fee income

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Grant income from the OfS	2,245	2,245	2,125	2,125
Grant income from other bodies	5,052	5,052	5,951	5,951
Fee income for research awards (exclusive of VAT)	426	426	423	423
Fee income for taught awards (exclusive of VAT)	6,794	6,794	6,158	6,158
	14,517	14,517	14,657	14,657



**Photo: Professor Sussan  
Babaie teaching at our Vernon  
Square campus**

## 7. Staff costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Salaries	7,927	7,560	7,579	7,568
Social security costs	957	928	865	864
Movement on USS and SAUL provision	3,771	3,771	270	270
Other pension costs	1,287	1,255	1,215	1,214
	13,942	13,514	9,929	9,916

The above table includes charges for redundancy payments and payments under compromise agreements on exit of £4,000 for two members of staff all of which was paid in the year (Consolidated and Institute) (2021: £123,000 for one member of staff (Consolidated and Institute) all of which was paid after the year end).

	£'000	£'000	£'000	£'000
Emoluments of the Director:				
Salary	156	156	156	156
	156	156	156	156

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 Director took a voluntary pay cut of 20% with effect from 1 August 2020 as part of the cost saving measures taken during 2020/21 at The Courtauld and this lower rate of pay continued for 2021/22.

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 2022		Year ended 31 July 2021	
	Consolidated	Institute	Consolidated	Institute
Director's basic salary as a multiple of the median pay of staff on a full-time equivalent basis	4.00	3.79	3.80	3.80
Director's total remuneration as a multiple of the median total remuneration of staff on a full-time equivalent basis	3.25	3.08	3.18	3.18

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000

Remuneration of higher paid staff, including the Director, excluding employer's pension contributions on a full-time equivalent basis was:

£145,000 to £149,999	-	-	1	1
£155,000 to £159,999	1	1	1	1
	1	1	2	2
Average staff numbers by major category on a full-time equivalent basis :	No.	No.	No.	No.
Teaching departments	37	37	36	36
Gallery & Libraries	23	23	26	26
Administration and central services	76	76	83	83
Premises	5	5	5	5
Other	10	-	-	-
	151	141	150	150



## 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 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Key management personnel compensation	807	807	1,185	1,185

## 8. Interest and other finance costs

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Loan interest	60	60	23	23
Net charge on pension scheme	23	23	18	18
	83	83	41	41

## 9. Analysis of total expenditure by activity

	Year ended 31 July 2022		Year ended 31 July 2021	
	Consolidated £'000	Institute £'000	Consolidated £'000	Institute £'000
Teaching departments	5,632	5,632	5,196	5,196
Academic information services	686	686	620	620
Gallery	2,440	2,440	1,553	1,553
Administration and central services	13,435	13,435	8,556	8,556
Premises costs	3,995	3,995	1,961	1,961
Planned maintenance	193	193	118	118
Courtauld Connects project costs	2,238	2,238	1,686	1,686
Courtauld Connects premises costs for temporary accommodation	-	-	1,229	1,229
Courtauld Connects impairment and write off of previously capitalised costs	2,630	2,630	478	478
Other income generating activities - Institute	692	692	496	496
Other income generating activities - subsidiaries	703	-	40	-
	32,644	31,941	21,933	21,893
Other operating expenses include:				
External auditors remuneration in respect of audit services	78	68	61	58
External auditors remuneration in respect of non-audit services	39	39	77	77
Operating lease payments	1,883	1,883	1,863	1,863
Foreign currency exchange loss/(gain)	15	14	9	9

## 9b. Access and Participation

Access Investment	256	256	190	190
Financial Support	176	176	187	187
Disability Support	58	58	37	37
Research and Evaluation	23	23	23	23
	513	513	437	437

£315,000 (2020/21 £231,000) of these costs are already included in the overall staff costs figures included in the financial statements, see note 7 (consolidated and institute)

The published access and participation plan can be found on the following link:  
<https://courtauld.ac.uk/about/policies/office-for-students>

## 10. Intangible Assets

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
<b>Cost or valuation</b>				
1 August 2021	257	257	227	227
Additions	107	107	30	30
31 July 2022	364	364	257	257
<b>Amortisation</b>				
1 August 2021	224	224	218	218
Charge for the year	10	10	6	6
31 July 2022	234	234	224	224
<b>Net book value</b>				
31 July 2022	130	130	33	33

## 11. Fixed Assets and Heritage Assets

Consolidated	Leasehold land and buildings £'000	Assets in the course of construction £'000	Computer equipment £'000	General equipment £'000	Total Fixed Assets £'000	Rare books and artefacts £'000
<b>Cost or valuation</b>						
1 August 2021	2,508	35,520	1,229	5,351	44,608	3,907
Reclassification	34,943	(35,070)	-	127	-	-
Additions	921	-	39	518	1,478	-
Disposals	-	-	-	-	-	-
31 July 2022	38,372	450	1,268	5,996	46,086	3,907
<b>Depreciation and impairment</b>						
1 August 2021	2,016	450	955	3,141	6,562	-
Charge for the year	1,338	-	105	656	2,099	-
Impairment of Courtauld Connects work	2,630	-	-	-	2,630	-
Disposals	-	-	-	-	-	-
31 July 2022	5,984	450	1,060	3,797	11,291	-
<b>Net book value</b>						
31 July 2022	32,388	-	208	2,199	34,795	3,907
31 July 2021	492	35,070	274	2,210	38,046	3,907

During the year, Phase One of the Courtauld Connects refurbishment work on the West Wing of the North Block of Somerset House was completed and the Gallery re-opened in November 2021. As the project concluded, the costs of construction were reviewed and it was considered appropriate that the additional costs arising from complex archaeological issues and from the challenges during the Covid pandemic would be expensed. An impairment of £2.63m has therefore been recognised in 2021/22.

Institute	Leasehold land and buildings £'000	Assets in the course of construction £'000	Computer equipment £'000	General equipment £'000	Total £'000	Rare books and artefacts £'000
<b>Cost and valuation</b>						
1 August 2021	2,508	35,520	1,226	5,351	44,605	3,907
Reclassification	34,943	(35,070)	-	127	-	-
Additions	921	-	39	510	1,470	-
Disposals	-	-	-	-	-	-
31 July 2022	38,372	450	1,265	5,988	46,075	3,907
<b>Depreciation and impairment</b>						
1 August 2021	2,016	450	955	3,141	6,562	-
Charge for the year	1,338	-	104	655	2,097	-
Impairment of Courtauld Connects work	2,630	-	-	-	2,630	-
Disposals	-	-	-	-	-	-
31 July 2022	5,984	450	1,059	3,796	11,289	-
<b>Net book value</b>						
31 July 2022	32,388	-	206	2,192	34,786	3,907
31 July 2021	492	35,070	271	2,210	38,043	3,907

## 12. Investments

<b>Consolidated and Institute Fixed asset investments</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Balance brought forward at 1 August	30,082	12,565
Reclassified in year from endowment assets to fixed asset investments	-	13,277
Additions	-	232
Investment income	199	213
Increase in market value of investments held	483	4,322
Disposal/redemption of investments	(469)	(527)
<b>Balance at 31 July</b>	<b>30,295</b>	<b>30,082</b>
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	21,672	21,212
Cash balances and cash on deposit	9,007	8,894
Forward hedging contract (creditor)/ debtor	(384)	(24)
	<b>30,295</b>	<b>30,082</b>
<b>Endowment assets</b>		
Balance brought forward at 1 August		
Capital	25,775	30,940
Unapplied Total Returns	9,937	13,508
	<b>35,712</b>	<b>44,448</b>
Reclassified in year from Permanent Unrestricted endowments to Fixed Asset investments		
Reclassified capital	-	(6,000)
Reclassified total returns	-	(7,277)
Additions (note 19)	252	1
Investment income	238	254
Increase in market value of investments held	576	5,169
Disposal/redemption of investments	(791)	(883)
<b>Balance at 31 July</b>	<b>35,987</b>	<b>35,712</b>
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	25,744	25,183
Cash balances and cash on deposit	10,699	10,558
Forward hedging contract (creditor)/ debtor	(456)	(29)
	<b>35,987</b>	<b>35,712</b>
<b>Total investment assets</b>	<b>66,282</b>	<b>65,794</b>
<b>Represented by:</b>		
Unit Trusts and Investment Trusts	47,416	46,395
Cash balances and cash on deposit	19,706	19,452
Forward hedging contract debtor/(creditor)	(840)	(53)
	<b>66,282</b>	<b>65,794</b>

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 £66m at 31 July 2022. (31 July 2021: £66m).

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 creditor on the forward hedging contract of £840,240 (2021: £52,794) which has been recognised in the investment assets' value. £1,114,361 was paid in October 2022. £240,215 of the year end balance is due for settlement in January 2023.

In January 2021 the Institute received legal advice recommending that some balances currently held within its permanent unrestricted endowment funds did not meet criteria to require their recognition as an endowment. Following review by the Governing Board it was agreed that a proportion of the current endowment funds would be reclassified to unrestricted funds in 2020/21.



## 13. Stock

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
Finished goods	176	-	2	-

## 14. Trade and other receivables

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
Amounts falling due within one year:				
Trade and student debtors	358	213	71	71
Amounts due from subsidiary undertakings	-	415	-	5
Taxation and VAT recoverable	356	356	2,037	2,037
Other Accrued Revenue	399	385	1,239	1,237
Other debtors	23	23	5	4
Prepayments	367	360	494	484
	1,503	1,752	3,846	3,838
Less provision for doubtful debts	(72)	(72)	(29)	(29)
	1,431	1,680	3,817	3,809

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

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
Trade creditors	575	564	615	604
Amounts due to subsidiary undertakings	-	61	-	2
Social security and other taxation payable	365	304	223	221
Accruals and Deferred income	4,043	4,001	4,564	4,559
Other creditors	3	2	5	5
	4,986	4,932	5,407	5,391

### 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.

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
Donations	1,327	1,327	1,067	1,067
Research grants received on account	2	2	2	2
Grant income	123	123	294	294
	1,452	1,452	1,363	1,363

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

	2022 Consolidated £'000	2022 Institute £'000	2021 Consolidated £'000	2021 Institute £'000
Arts Council England loan	3,000	3,000	3,000	3,000
	3,000	3,000	3,000	3,000
Analysis of secured and unsecured loans:				
Due within one year or on demand (Note 15)	-	-	-	-
Due between one and two years	-	-	-	-
Due between two and five years	204	204	33	33
Due after more than five years	2,796	2,796	2,967	2,967
Total secured and unsecured loans	3,000	3,000	3,000	3,000

## 17. Provisions for liabilities

Consolidated	Obligation to fund deficit on USS Pensions £'000	Other Provisions £'000
At 1 August 2021	2,597	25
Utilised in year	(136)	(11)
Addition in 2021/22	3,771	-
Pension interest charge in the year	23	-
At 31 July 2022	6,255	14
Institute	Obligation to fund deficit on USS Pensions £'000	Other Provisions £'000
At 1 August 2021	2,597	25
Utilised in year	(136)	(11)
Addition in 2021/22	3,771	-
Pension interest charge in the year	23	-
At 31 July 2022	6,255	14

### 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. More details on the 2020 actuarial valuation are set out in note 27. There are no remaining liabilities for benefits arising from past performance for the Superannuation Scheme of the University of London (SAUL) (2021: £nil).

The major assumptions used to calculate the obligation are:

	2022	2021
Discount rate	3.32%	0.88%
Salary growth	2.92%	3.26%

### 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 2022

	Approximate impact £'000
0.5% pa decrease in discount rate	(257)
0.5% pa increase in salary inflation over duration	(256)
0.5% pa increase in salary inflation year 1 only	(29)
0.5% increase in staff changes over duration	(261)
0.5% increase in staff changes year 1 only	(29)
1% increase in deficit contributions from April 2023	(952)
1 year increase in term	(343)



Photo: The artist Rujazzle at a December After Hours event in front of *Unmoored from her reflection*, Cecily Brown 2021

## 18. Financial assets and liabilities

	Current £'000	2022 Non-current £'000	Total £'000	Current £'000	2021 Non-current £'000	Total £'000
<b>Financial assets</b>						
Investments	-	66,282	66,282	-	65,794	65,794
Trade and other receivables	381	-	381	76	-	76
Cash	7,492	-	7,492	5,196	-	5,196
	7,873	66,282	74,155	5,272	65,794	71,066
<b>Financial liabilities</b>						
Arts Council England loan	-	(3,000)	(3,000)	-	(3,000)	(3,000)
Trade and other payables	(578)	-	(578)	(620)	-	(620)
	(578)	(3,000)	(3,578)	(620)	(3,000)	(3,620)
<b>Total financial assets/(liabilities)</b>	7,295	63,282	70,577	4,652	62,794	67,446

A 20 year Culture Recovery Fund Loan from Arts Council England of £3,000,000 was agreed on 22 March 2021 with a 4 year repayment holiday. The first repayment is due on 25 March 2025. Interest is payable at a rate of 2%.

### Financial risk management objectives and policies

#### Market risk

The primary objective of the holding in endowment assets is to ensure that The Courtauld has enduring 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 Investments 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 enduring 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 Investments 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 2022 £'000	Total 2021 £'000
At 1 August 2021						
Capital	16,396	2,048	18,444	7,331	25,775	30,940
Unapplied Total Returns	8,269	1,668	9,937	-	9,937	13,508
	24,665	3,716	28,381	7,331	35,712	44,448
Reclassified in year from Permanent Unrestricted endowments to Fixed Asset investments						
Reclassified capital	-	-	-	-	-	(6,000)
Reclassified total returns	-	-	-	-	-	(7,277)
	24,665	3,716	28,381	7,331	35,712	31,171
Received in the year (note 6)	-	-	-	252	252	1
Investment income (note 5)	163	25	188	50	238	254
Gains in market value	396	59	455	121	576	5,169
Total returns transferred to income & expenditure account	(559)	(83)	(642)	(171)	(813)	(5,423)
Unapplied total returns retained in endowment reserves	82	27	109	(87)	22	4,540
At 31 July 2022						
Capital	16,396	2,048	18,444	7,496	25,940	25,775
Unapplied Total Returns	8,351	1,696	10,047	-	10,047	9,937
	24,747	3,744	28,491	7,496	35,987	35,712
<b>Representing</b>						
Fellowships and scholarships funds	1,340	328	1,668	3,244	4,912	4,665
Prizes funds	2,371	-	2,371	-	2,371	2,398
Chairs and lectureships funds	16,740	-	16,740	2,478	19,218	19,181
Other funds	4,296	3,416	7,712	1,774	9,486	9,468
	24,747	3,744	28,491	7,496	35,987	35,712

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.

In January 2021 the Institute received legal advice recommending that some balances currently held within its permanent unrestricted endowment funds did not meet criteria to require their recognition as an endowment. Following review by the Governing Board it was agreed that a proportion of the current endowment funds would be reclassified to unrestricted funds in 2020/21.

Included within the table above, the Institute holds three 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:

	The Deborah Loeb Brice Foundation £'000	The Robert HN Ho Family Foundation £'000	J Paul Getty Trust £'000
At 1 August 2021			
Capital	2,491	2,500	3,873
Unapplied Total Returns	1,585	1,095	769
	4,076	3,595	4,642
Investment income	27	24	31
Gains in market value	65	58	75
Total Returns transferred to income & expenditure account	(92)	(81)	(105)
Unapplied total returns retained in endowment reserves	(21)	58	105
At 31 July 2022			
Capital	2,491	2,500	3,873
Unapplied Total Returns	1,564	1,154	875
	4,055	3,654	4,748

## 20. Restricted Reserves

Reserves with restrictions are as follows:

	Unspent capital grants £'000	Courtauld Connects donations £'000	Donations £'000	CIAF Reserves £'000	Total £'000
Balances at 1 August 2021	2,591	1,545	2,193	500	6,829
New donations	-	1,397	1,416	-	2,813
Capital grants and donations utilised	(195)	(1,774)	-	-	(1,969)
Expenditure	-	-	(952)	-	(952)
	(195)	(377)	464	-	(108)
At 31 July 2022	2,396	1,168	2,657	500	6,721
					<b>2022 Total £'000</b>
Analysis of other restricted funds /donations by type of purpose:					
Scholarships					532
Funded Posts					107
Gallery					515
General					1,503
					2,657

## 21. Cash and cash equivalents

Consolidated	At 1st August 2021 £'000	Cash Flows £'000	At 31st July 2022 £'000
Cash and cash equivalents	5,196	2,296	7,492

## 22. Capital and other commitments

Consolidated and Institute

Provision has not been made for the following capital commitments at 31 July 2022 :

	2022 £'000	2021 £'000
Commitments contracted for	197	1,249
	197	1,249

The commitment is for Courtauld Connects building works which are in progress. The prior year commitment was also for Courtauld Connects building works.

## 23. Lease obligations

### Consolidated and Institute

Total rentals payable under operating leases:

	2022 £'000	2021 £'000
<b>Payable during the year</b>	2,012	1,835
<b>Future minimum lease payments due:</b>		
Not later than 1 year	2,077	1,528
Later than 1 year and not later than 5 years	3,979	3,408
Later than 5 years	10,669	11,325
<b>Total lease payments due</b>	<b>16,725</b>	<b>16,261</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 from 6 March 2019. The annual rent payable is subject to a five-year annual review and the first review date was 1 July 2022. The next review date will be 1 July 2027, with the rent to be rebased on 1 July 2042 and 1 July 2067. The terms include for a £100,000 per annum concession on the total rent payable until 30 June 2037. In addition a peppercorn rent on the 'fine rooms' which house the public area of The Courtauld Gallery was applied up to 30 June 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 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. This has been extended for 2 years until August 2024.

## 24. Finance leases

### Consolidated and Institute

The lease was for eight multi-function devices for printing, scanning and copying.

The carrying amount of the asset at 31 July 2022 was £0 (2021: £3,000).

The lease is now fully paid.

## 25. Related party transactions

During the year, the Institute paid £276,361 (2020/21 £226,873) 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, Chairman of the Courtauld Institute of Art, is ex-officio Trustee of the Samuel Courtauld Trust. Charmian Caines and Sally Osman are Courtauld Institute of Art nominated Samuel Courtauld Trust Trustees. Andrew H Hochhauser, Chairman of the Samuel Courtauld Trust, is ex-officio Director of The Courtauld Institute of Art.

SCT Enterprises Limited ("SCTE") is a wholly owned subsidiary of The Courtauld Institute of Art. During the year, the Institute purchased Gallery front of house services from SCTE for £293,749 (2020/21 £nil). The Institute purchased merchandise and copies of Courtauld Guides from SCTE costing £2,415 (2020/21: £1,950) of which £54,908 was included within the Institute creditors as at 31 July 2022 (2020/21 £1,950). The Institute sold SCTE merchandise in its Gallery and online for £31,053 of which £6,588 was included within the Institute creditors at 31 July 2022 (2020/21 £nil). The Institute charged SCTE £45,000 for rent, £65,000 provision of accounting, HR and IT services, £31,036 for event staffing & costs incurred on SCTE's behalf (2020/21 £4,907) of which £31,036 (2020/21 £4,700) was included within the Institute debtors as at 31 July 2022. During the year the Institute provided SCTE with an interest free loan of £200,000 all of which is included within the Institute creditors at 31 July 2022 (2020/21 £nil). At the end of the year SCTE accrued a Gift Aid payment to the Institute of £183,654 (2020/21 £nil).

12 trustees made donations of £617,800 for 2021/22 all of which was received during the year (2020/21 11 trustees made donations of £704,112).

Nothing was paid in 2021/22 to directors for expenses relating to their role as a Director (2020/21 £nil).

Peter Budd is a director of Ove Arup and Partners Limited. During the year the Institute did not purchase any services. (2020/21 £4,860 paid 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 £4,576 (2020/21 £2,592) to National Gallery 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.





THE COURTAULD  
Institute of Art

Transport for London  
Congestion charging  
Central ZONE  
Mon - Fri  
7am - 6pm  
Sat - Sun & Bank hol  
Noon - 6pm

VERNON SQUARE

The Vernon Square campus.



## 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 2022 £'000	Year ended 31 July 2021 £'000
USS	4,859	1,331
SAUL	190	171
	5,050	1,502

SCT Enterprises Limited contributed to a defined contribution scheme set up on 1 July 2021 and administered on behalf of the company by Aviva. £32,000 was charged to expenditure in the period (2020/21: £nil).

### (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) with related expenses 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 2020 ("the valuation date"), which was carried out using the projected unit method.

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 2020 valuation was the sixth 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 £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

Deficit recovery contributions due within one year for the institution are £406,000 (2021 £329,000).

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles.

CPI assumption Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.1% p.a. to 2030 reducing linearly by 0.1% p.a. to a long term difference of 0.1% p.a. from 2040.

Pension increases (subject to a floor of 0%) CPI assumption plus 0.05%

Discount rate (forward rates) Fixed interest gilt yield curve plus:  
Pre-retirement: 2.75% p.a.  
Post retirement: 1.00% p.a.

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 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S2PFA for females.
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa 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:

	2022	2021
Males currently aged 65 (years)	23.9	24.6
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.6
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	3.32%	0.74%
Pensionable salary growth (average)	2.92%	2.50%

The employers' contribution rates are as follows:

Effective date	Rate
1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

The increase in deficit payments arising under the 2020 valuation, partly offset by the impact of a higher discount rate, has driven the increase in the deficit provision which has increased from £2,597,000 to £6,255,000 as set out in note 17. See also note 7 in respect of significant one-off pension costs / gains.

## (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 2020. 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 2021 and are due to be reviewed at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021. As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers agreed that the ongoing Employers' contributions would increase from a rate of 16% of CARE Salaries to 19% of CARE Salaries from 1 April 2022 and to 21% of CARE Salaries from 1 January 2023.

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 at 31 March 2020 was £3,612 million representing 94% of the liabilities for benefits accrued up to 31 March 2020. The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

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.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post-valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and 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. Acquisition of charity

On 1 August 2020 all of the business activities, assets and liabilities of The Friends of the Courtauld Institute (Charity number 312911) ('The Friends') were transferred to the Courtauld Institute of Art for no consideration. The value of the net assets acquired of £342,000 has been recognised in the prior year as a gain on acquisition.

The gain on acquisition was recognised in unrestricted reserves at the date of transfer. However, The Courtauld noted the plans of the Trustees of The Friends to pledge £150,000 to the Courtauld Connects project towards the cost of a staircase in the Gallery that would be named in recognition of The Friends members and has used £150,000 of the reserves transferred for this purpose.

The Courtauld Institute of Art continues to run the Friends membership programme, for which it charges a fee, and through which it will offer a variety of events including lectures and private views both at The Courtauld and elsewhere.

The acquisition comprised:	£'000
Investments	232
Debtors	38
Cash	94
Creditors	(22)
	<hr/>
	342
	<hr/>

## 29. 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.

### 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.

The investment valuation includes an element of estimation for some of the private equity investments that are only revalued at the calendar quarter ends and for which there is a lag in reporting. The estimates were provided by investment advisors and were reviewed after the year end to ensure that the overall investment valuation reported was appropriate.

Note 9b includes a table of costs relating to Access and Participation. The costs include some elements of estimated staff costs for time worked in this area by several members of staff. The estimates were prepared using information available to management and were internally reviewed to confirm that the basis of estimation was reasonable and appropriate.

## 30. Events after the end of the reporting period

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







Visitors at an After Hours event, inspect the model of a unique metalware bag, known as The Courtauld Bag, from Mosul, Iraq, 1300-1330.



## 31. US Department of Education Financial Responsibility Supplemental Schedule

In satisfaction of its obligations to facilitate students' access to US federal financial aid, the Courtauld Institute of Art is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Primary Reserve Ratio			Year ended 31 July 2022 £000s		Year ended 31 July 2021 £000s	
			Expendable Net Assets			
Balance Sheet	Statement of Financial Position - Net assets without donor restrictions	Net assets without donor restrictions	-	57,249	-	63,225
Balance Sheet	Statement of Financial Position - Net assets with donor restrictions	Net assets with donor restrictions	-	42,708	-	42,541
Note 25	Statement of Financial Position - Related party receivable and Related party note disclosure	Secured and Unsecured related party receivable	-	-	-	-
Note 25	Statement of Financial Position - Related party receivable and Related party note disclosure	Unsecured related party receivable	-	-	-	-
Notes 10, 11, 15, 16	Statement of Financial Position - Property, plant and equipment, net	Property, plant and equipment, net (includes Construction in progress)	38,832	-	41,986	-
Notes 10, 11, 15, 16	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - pre-implementation	Property, plant and equipment - pre- implementation	-	405	-	5,018
	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - post-implementation with outstanding debt for original purchase	Property, plant and equipment - post- implementation with outstanding debt for original purchase	-	-	-	-
Notes 10, 11	Note of the Financial Statements - Statement of Financial Position - Property, Plant and Equipment - post-implementation without outstanding debt for original purchase	Property, plant and equipment - post implementation without outstanding debt for original purchase	-	38,427	-	1,898
Note 11	Note of the Financial Statements - Statement of Financial Position - Construction in process	Construction in process	-	-	-	35,070
Notes 15, 16	Statement of Financial Position - Lease right-of-use assets, net	Lease right-of-use asset, net	-	-	-	-

Notes 15, 16	Note of Financial Statements - Statement of Financial Position - Lease - right-of-use asset pre- implementation	Lease right-of-use asset pre-implementation	-	-	-	-
	Note of Financial Statements - Statement of Financial Position - Lease right-of-use asset post- implementation	Lease right-of-use asset post-implementation	-	-	-	-
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
Note 17	Statement of Financial Position - Post-employment and pension liabilities	Post-employment and pension liabilities	-	6,255	-	2,597
Note 16	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes	3,000	-	3,000	-
Note 16	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes pre- implementation	-	3,000	-	3,000
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Long-term debt - for long term purposes post- implementation	-	-	-	-
	Statement of Financial Position - Note Payable and Line of Credit for long-term purposes (both current and long term) and Line of Credit for Construction in process	Line of Credit for Constuction in process	-	-	-	-
Notes 15, 16	Statement of Financial Position - Lease right-of-use of asset liability	Lease right-of-use asset liability	-	-	-	-
Notes 15, 16	Statement of Financial Position - Lease right-of-use of asset liability pre-implementation	Pre-implementation right-of-use leases	-	-	-	-
	Statement of Financial Position - Lease right-of-use of asset liability pre-implementation	Post-implementation right-of-use leases	-	-	-	-
	Statement of Financial Position - Annuities	Annuities with donor restrictions	-	-	-	-
	Statement of Financial Position - Term Endowments	Term endowments with donor restrictions	-	-	-	-
	Statement of Financial Position - Life Income Funds	Life income funds with donor restrictions	-	-	-	-
Note 19	Statement of Financial Position - Perpetual Funds	Net assets with donor restrictions: restricted in perpetuity	-	28,491	-	28,381

		<b>Total Expenses and Losses</b>				
Note 9 less movement on USS and SAUL provision (note 7)	Statement of Activities - Total Operating Expenses (Total from Statement of Activities prior to adjustments)	Total expenses without donor restrictions - taken directly from Statement of Activities	-	28,873	-	21,663
Statement of Comprehensive Income and Expenditure and notes 7, 19	Statement of Activities Non-Operating (Investment return appropriated for spending). Investments, net of annual spending gain (loss), Other components of net periodic pension costs, Pension-related changes other than net periodic pension, Change in value of split-interest agreements and Other gains (loss). (Total from Statement of Activities prior to adjustments)	Non-Operating and Net Investment (loss)	-	3,287	-	(4,394)
Statement of Comprehensive Income and Expenditure and note 19	Statement of Activities - (Investment return appropriated for spending) and Investments, net of annual spending gain (loss)	Net investment losses	-	(483)	-	(4,322)
Note 7	Statement of Activities - Pension - related changes other than periodic pension	Pension related changes other than net periodic costs	-	3,771	-	270
<b>Equity ratio</b>						
		<b>Modified Net Assets</b>				
Balance Sheet	Statement of Financial Position - Net Assets without Donor Restrictions	Net assets without donor restrictions	-	57,249	-	63,225
Balance Sheet	Statement of Financial Position - Total Net Assets with Donor Restriction	Net assets with donor restrictions	-	42,708	-	42,541
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
	Statement of Financial Position - Related party receivable and related party note disclosure	Secured and Unsecured related party receivable	-	-	-	-
	Statement of Financial Position - Related party receivable and related party note disclosure	Unsecured related party receivables	-	-	-	-
		<b>Modified Assets</b>				
Balance Sheet	Statement of Financial Position - Total assets	Total assets	-	114,212	-	116,795

	Note of Financial Statements - Statement of Financial Position - Lease right-of-use asset pre- implementation	Lease right-of-use asset pre-implementation	-	-	-	-
	Statement of Financial Position - Lease right-of-use of asset liability pre-implementation	Pre-implementation right-of-use leases	-	-	-	-
	Statement of Financial Position - Goodwill	Intangible assets	-	-	-	-
	Statement of Financial Position - Related party receivable and related party note disclosure	Secured and Unsecured related party receivable	-	-	-	-
	Statement of Financial Position - Related party receivable and related party note disclosure	Unsecured related party receivables	-	-	-	-
<b>Net Income Ratio</b>						
Balance Sheet	Statement of Activities - Change in Net Assets Without Donor Restrictions	Change in net assets without donor restriction	-	( 5,975)	-	14,487
	Statement of Activities - (Net assets released from restriction), Total Operating Revenue and Other Additions and Sale of Fixed Assets, gains (losses)	Total Revenues and Gains	-	26,185	-	31,756



# Research Publications from 1 August 2021 to 31 July 2022

## 2021/22 has seen significant prizes awarded to a recent faculty monograph, along with two new additions to The Courtauld's own open access series 'Courtauld Books Online'.

Dr Jessica Barker (Senior Lecturer in Medieval Art History) has been awarded the International Center of Medieval Art 2021 Book Prize and the Historians of British Art Book Award for Exemplary Scholarship on the Period before 1600 for her first scholarly monograph, *Stone Fidelity: Marriage and Emotion in Medieval Tomb Sculpture* (Boydell Press, 2020).

The latest addition to Courtauld Books Online is *Imagining the Apocalypse: Art and the End Times*. Edited by Dr Edwin Coomasaru and Theresa Deichert, *Imagining the Apocalypse* navigates how art and visual culture has imagined Armageddon across the globe from the eighteenth century to the present and considers the ways in which apocalypticism has been drawn on to perpetuate or challenge structures of power. In the process, contributors write on topics ranging from folk monsters and fears of revolt in the 1760s to contemporary Brazilian depictions of Jair Bolsonaro.

October 2021 saw the launch of *Towards an Art History of the Parish Church, 1200-1399*. This Courtauld Books Online volume, edited by Dr Meg Bernstein, is the culmination of a project launched in 2017. Across ten essays, *Towards an Art History of the Parish Church* aims to explore the art and architecture of parish churches through a variety of lenses, interdisciplinary methodologies, and perspectives.

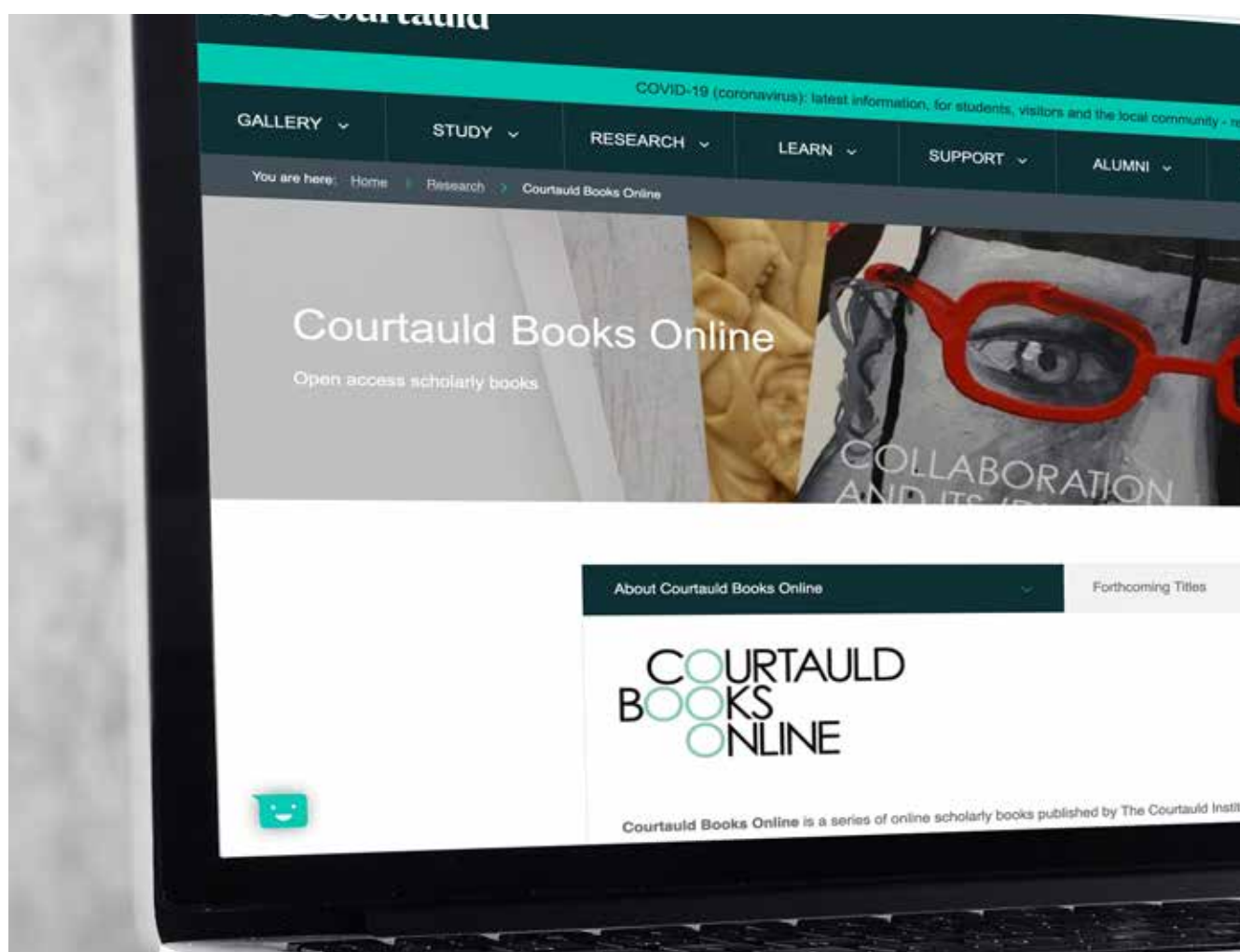






Photo: The Book Library at Vernon Square.

# Acquisitions to and loans from the collections of the Samuel Courtauld Trust

## List of acquisitions for the period 1 August 2021 to 31 July 2022

**Deanna Petherbridge** (b.1939), *Mary Mandala*, pen and ink on paper, 1974.

### Gift of the artist

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**Deanna Petherbridge** (b.1939), *Bamboo Ionic (Goa)*, pen and ink and wash on paper, 2014.

### Gift of the artist

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**Eliza M Gore** (1754- 1802), *Italian Landscape*, gouache on paper, 1774.

### Gift of the W.W. Spooner Charitable Trust

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**Thomas Theodosius Forrest** (1728 - 1784), *Windsor Castle from the River*, watercolour, undated.

### Gift of the W.W. Spooner Charitable Trust

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**Edmond Hédouin** (19820 - 1899) after Thomas Couture (1815 - 1879), *L'orgie Romaine (Romains de la decadence)*, etching, c.1852-8.

### Gift of Donato Esposito

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

### Gift of Donato Esposito

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**Theodore Roussel** (1847 - 1926), *View of East Cliff, Hastings*, watercolour drawing, pre-1900.

### Gift of Donato Esposito

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## Loans out from the collection during the period 1 August 2021 to 31 July 2022

1 May 2021 - 30 April 2023  
Goldsmith's Hall, London  
*Long-term loan*

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

24 Sept 2021 - 9 Jan 2022  
Holburne Museum, Bath  
*Rosetti's Portraits*

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

8 Oct 2021 - 9 Jan 2022

Charlottenberg Palace, Berlin  
*Antoine Watteau. Art - Market - Crafts*

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

30 Oct 2021 - 13 Feb 2022  
Royal Academy of Arts, London  
*John Constable: The Late Work*

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

1 Nov 2021- 31 Oct 2024

Victoria & Albert Museum, London

*Long term loan to Medieval and Renaissance Galleries*

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

10 Nov 2021 - 24 Jan 2022

Getty Villa, Los Angeles

*Rubens: Picturing Antiquity*

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

12 Nov 2021 - 27 Feb 2022

Barber Institute of Fine Arts, Birmingham

*Miss Clara and the Celebrity Beast in Art 1500 - 1860*

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

20 Nov 2021 - 27 Feb 2022

National Gallery, London

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

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

10 Dec 2021 - 6 March 2022

Kunsthaus Zurich

*Baroque Brilliance. The draughtsmanship of Giovanni*

*Benedetto Castiglione*

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

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

28 Jan - 24 April 2022

Leamington Spa Art Gallery and Museum

*Women and Flowers*

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

3 March - 19 June 2022

Barbican Art Gallery, London

*Postwar Modern: New Art in Britain 1945-65*

**Frank Helmuth Auerbach**, *Rebuilding the Empire Cinema, Leicester Square*

(P.2015.XX.1);

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

9 April - 2 Oct 2022

Scottish National Gallery of Modern Art, Edinburgh

*Barbara Hepworth*

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

25 April - 18 Sept 2022

Tate Britain, London

*Walter Sickert*

**Walter Sickert**, *Sweet Violets - White and Blue Violets in a Patterned Bowl*

(P.1982.LB.399);

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

4 May - 4 Sept 2022

Dulwich Picture Gallery, London

*Woman in the Window*

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

14 May - 23 October 2022

Pallant House Gallery, Chichester

*Glyn Philpot: Flesh and Spirit*

**Glyn Philpot**, *Composition study for Penelope*, (D.1962.

GC.386) **Glyn Philpot**, *Composition study for 'Penelope'* (D.1962.GC.195)

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

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

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

**Glyn Philpot**, *Sketch* D.1962.GC.119.2

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

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

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

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

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

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

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

15 May- 5 Sept 2022

Art Institute of Chicago

*Paul Cezanne*

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

1 June - 18 Sept 2022

Hugh Lane Art Gallery, Dublin 20 Oct 22 - 15 Jan 23

National Gallery, London

*Re-Discover. Eva Gonzales (working title)*

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

17 June - 16 October 2022

Ulster Museum, Belfast

Courtauld National Programme

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

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

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

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

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

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

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

2 July - 11 Sept 2022

Royal West of England Academy, Bristol

*Earth: Digging Deep in British Art 1715 - 2022*

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

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

16 July 2022 - 13 Nov 2022

The Lightbox, Woking

*Canaletto: Pageant and Panorama*

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





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The Courtauld  
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Photo: Visitors at the After Hours: Glow Up event, December 2021

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



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