

Charity Registration No. 1091870

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 MAY 2018

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Baroness Neuberger DBE Professor Anthony Neuberger Sheila Spalding Dr Nicholas Sagovsky Dr Katie Petty-Saphon Lady Brittan DBE
Charity number	1091870
Principal address	SW Trust PO Box 12327 Colchester CO6 4XE
Independent examiner	S Mehta H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom
Bankers	National Westminster Bank Plc Head Office 41 Lothbury London EC2 2BP
Solicitors	Bryan Cave Leighton Paisner Adelaide House London Bridge London EC4R 9HA

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

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THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 1 MAY 2018

The trustees present their report and accounts for the year ended 1 May 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Declaration of Trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects, as set out in its Declaration of Trust, are to assist young refugees and asylum seekers in accessing education and to give awards to young refugees and asylum seekers for exceptional effort and achievements within their schools and colleges. There has been no change in these during the year.

The Charity's policy is to give funding to individuals to access education where there are no adequate alternative sources of funding. We foster partnerships with other agencies that offer services to asylum seekers so as to ensure that the grants are administered as effectively and efficiently as possible. A website for the Charity (www.swtrust.org.uk) has also been set up.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Trust gives small grants to help young refugees and asylum seekers with their studies. These range from helping with transport, with books or computers, to paying a contribution towards fees as necessary. All grants are dependent on the young person's immigration status.

In addition The Walter and Liesel Schwab Charitable Trust continued to award hardship grants to individuals to help access education and training. The Trust developed close working partnerships with various projects working with asylum seekers and refugees to help support those seeking to enter education. Both Trusts have developed close working partnerships with Article 26 (Helena Kennedy Foundation, HKF) and Refugee Support Network.

Achievements and performance

The Charity initiated its Westheimer Scholarships in 2015, providing scholarships, covering both fees and maintenance, to enable talented and deserving young asylum seekers, who have no recourse to public funds, to go to university on undergraduate degree programmes and get the qualifications that will enable them to live good and productive lives. In the first three years of the programme, nine such scholarships have been awarded, with the first scholars graduating in the summer of 2018.

Alongside this, the charity has provide many small grants, typically of up to £2000, to young asylum seekers, which can be life-changing. The charity has also provided support over education issues and more general personal support for many of our scholars and grantees via the Refugee Support Network.

2017/18 was also the first year of the Brittan Scholarship, named in memory of Lord Brittan, and sponsored by his widow, Lady Brittan DBE. We were enormously pleased to be able to add this new scholarship, which is at postgraduate level, to our portfolio, and the charity is working to attract further new donors for further scholarships.

Public Benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

Financial review

In the last financial year the Charity made a deficit of £175,985 (2017: surplus of £110,771). At 1 May 2018 the reserves stand at £1,662,576 (2017: £1,838,561) where £12,219 (2017: £29,437) is unrestricted and £1,650,357 (2017: £1,809,124) is restricted.

During the year the charity bought £221,228 (2017: £669,986) of investments. The investments held increased in value by £38,544 (2017: increase in value by £143,918).

The Charity is seeking to maintain and build up its unrestricted reserves to enable it to complement and enhance the impact of restricted funds, and deploy them as effectively as possible.

The Charity received a legacy of £1.3 million from the estate of the late Ilse Johanna Westheimer, which was established as a restricted fund within the Charity on 18 October 2006. The Trustees' intention is to manage the fund so that it can provide continued support to asylum seekers over the medium term.

The assets of the charity are invested in liquid financial securities that offer maximum expected return subject to an acceptable level of risk, taking account of the differing time horizons of the restricted and unrestricted funds.

The Trustees regularly review the major risks facing the charity with a view to producing plans to mitigate any risks that are identified.

The trustees have adopted an investment strategy for the funds of the charity that focuses on total return, and that looks for capital growth with medium risk, with an asset allocation split roughly equally between bonds and equities, avoiding excessive exposures to any one corporate name or sector. The ethical guidelines include the avoidance, so far as practical, of investments in arms manufacture and sales, and tobacco.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Having now appointed six Westheimer scholars, the charity looks to appoint two or three more each year, depending on the quality of applicants and the financial resources of the charity. We would also wish to encourage other agencies to help support the educational needs of refugees and asylum seekers.

Structure, governance and management

The Walter and Liesel Schwab Charitable Trust was established to assist young refugees and asylum seekers in accessing education. The Charity's Declaration of Trust was executed on 6 December 2001.

The trustees who served during the year were:

Baroness Neuberger DBE

Professor Anthony Neuberger

Sheila Spalding

Dr Nicholas Sagovsky

Dr Katie Petty-Saphon

Lady Brittan DBE

Polly Rossdale

(Resigned 31 January 2018)

Trustees are selected from those who knew Walter and Liesel Schwab and Ilse Westheimer, plus experts in the field. The charity will continue to appoint new outside trustees with relevant knowledge and experience. New Trustees have to be approved by current Trustees. Trustees outside the charity are limited to terms of no more than nine years.

The Trustees of the Charity meet three or four times per year to decide on policy and to award individual grants.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

Reserves

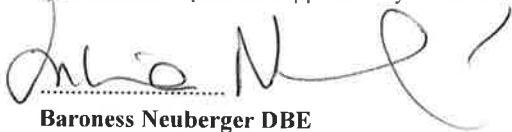
With the first Westheimer scholars now graduating, the Westheimer scholarship programme has reached approximately steady state, with an average of three scholarships per year being awarded. This level of activity will lead to the gradual running down of the Charity's restricted reserves. The Trustees are committed to maintaining a level of restricted reserves sufficient to ensure continuity of funding for all the scholarships that are awarded, and the current level of reserves greatly exceeds that level.

The Charity has been seeking to increase the level of unrestricted income in order to be able to maintain and if possible increase the number of small grants (up to £2000) it can make to beneficiaries who fall outside the scope of the Westheimer bequest. These grants are made out of unrestricted funds, are one off and do not carry with them any commitment to future funding, so the level of expenditure can readily be adjusted in accordance with the financial resources available to the charity. In addition to the small grants and the Westheimer scholarships, the Trustees have also been prepared to award one off scholarships where additional earmarked funding has been secured.

Plans for the future

The charity plans to continue awarding scholarships and small grants to asylum seekers. It also plans to publicise its work in order to ensure it is better known to eligible candidates hear about our work, and that potential sponsors are able to see what life changing effects come as a result of being able, as an asylum seeker whose life has been put 'on hold', to go to university fully funded and gain a degree and a qualification. The charity will also be working closely with the Refugee Support Network to provide further and more targeted support for our students.

The trustees' report was approved by the Board of Trustees.



Baroness Neuberger DBE

Trustee

Dated: 28. 2. 19

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

I report to the trustees on my examination of the financial statements of The Walter and Liesel Schwab Charitable Trust (the charity) for the year ended 1 May 2018.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



S Mehta

H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated:

28 February 2019

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 1 MAY 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	3	16,480	-	16,480	15,688
Investments	4	-	53,084	53,084	52,477
Total income		16,480	53,084	69,564	68,165
<u>Expenditure on:</u>					
Raising funds	5	-	11,780	11,780	12,253
Charitable activities	6	33,698	234,677	268,375	163,976
Total resources expended		33,698	246,457	280,155	176,229
Net gains/(losses) on investments	11	-	34,606	34,606	218,835
Net movement in funds		(17,218)	(158,767)	(175,985)	110,771
Fund balances at 2 May 2017		29,437	1,809,124	1,838,561	1,727,790
Fund balances at 1 May 2018		12,219	1,650,357	1,662,576	1,838,561

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

All income and expenditure derive from continuing activities.

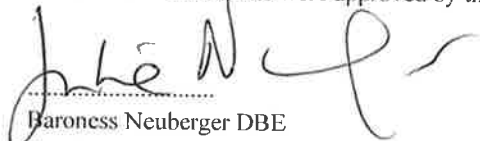
THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

BALANCE SHEET

AS AT 1 MAY 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Investments	12		1,536,744		1,710,940
Current assets					
Debtors	14	-		100	
Cash at bank and in hand		137,598		138,722	
		<u>137,598</u>		<u>138,822</u>	
Creditors: amounts falling due within one year	15	(11,766)		(11,201)	
Net current assets			125,832		127,621
Total assets less current liabilities			<u>1,662,576</u>		<u>1,838,561</u>
Income funds					
Restricted funds	16		1,650,357		1,809,124
Unrestricted funds			12,219		29,437
			<u>1,662,576</u>		<u>1,838,561</u>

The financial statements were approved by the Trustees on 28.2.2019


 Baroness Neuberger DBE
 Trustee

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 MAY 2018

1 Accounting policies

Charity information

The Walter and Liesel Schwab Charitable Trust is constituted under a Declaration of Trust dated on 6 December 2001 and is a registered charity (registration number 1091870). The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Declaration of Trust, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received by our investment advisor of the investment portfolio.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the charity's principal projects. Expenditure is included on an accruals basis.

Costs of raising funds are those costs incurred in managing the Trust's investment portfolio.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Support costs comprise of costs for the running of the charity itself as an organisation and compliance with statutory requirements.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

2 Critical accounting estimates and judgements

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

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

The trustees do not believe there to be any judgements or estimates critical to the financial statements.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	16,480	15,688

All donations and gifts in 2018 and 2017 were unrestricted.

4 Investments

	2018	2017
	£	£
Income from listed investments	45,457	31,694
Interest receivable	7,627	20,783
	<u>53,084</u>	<u>52,477</u>

All investment income in 2018 and 2017 was restricted.

5 Raising funds

	2018	2017
	£	£
<u>Investment management</u>	11,780	12,253
	<u>11,780</u>	<u>12,253</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

6 Charitable activities

	2018 £	2017 £
Grant funding of activities (see note 7)	234,002	122,039
Share of support costs (see note 8)	27,473	34,503
Share of governance costs (see note 8)	6,900	7,434
	<u>268,375</u>	<u>163,976</u>
Analysis by fund		
Unrestricted funds	33,698	
Restricted funds	234,677	
	<u>268,375</u>	
For the year ended 1 May 2017		
Unrestricted funds		11,507
Restricted funds		152,469
		<u>163,976</u>

7 Grants payable

	2018 £	2017 £
Grants to individuals	234,002	122,039
	<u>234,002</u>	<u>122,039</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

8 Support costs

	Support costs	Governance costs	2018	2017
	£	£	£	£
Administrative costs	27,473	-	27,473	34,503
Independent examiners fees	-	6,900	6,900	7,434
	<u>27,473</u>	<u>6,900</u>	<u>34,373</u>	<u>41,937</u>
Analysed between Charitable activities	<u>27,473</u>	<u>6,900</u>	<u>34,373</u>	<u>41,937</u>

Governance costs include payments to the Independent Examiners of £6,900 (2017: £7,434) for Independent Examination.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. However, one trustee was reimbursed travelling expenses totalling £nil (2017- £24).

10 Employees

There were no employees during the year.

11 Net gains/(losses) on investments

	2018	2017
	£	£
Revaluation of investments	38,544	143,918
Gain/(loss) on sale of investments	(3,938)	74,917
	<u>34,606</u>	<u>218,835</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

12 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 2 May 2017	1,662,320	48,620	1,710,940
Additions	221,228	-	221,228
Valuation changes	38,544	-	38,544
Cash movements	-	(37,276)	(37,276)
Disposals	(396,692)	-	(396,692)
At 1 May 2018	<u>1,525,400</u>	<u>11,344</u>	<u>1,536,744</u>
Carrying amount			
At 01 May 2018	<u>1,525,400</u>	<u>11,344</u>	<u>1,536,744</u>
At 01 May 2017	<u>1,662,320</u>	<u>48,620</u>	<u>1,710,940</u>

13 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Equity instruments measured at fair value	<u>1,536,744</u>	<u>1,710,940</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>11,766</u>	<u>11,201</u>

14 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Prepayments and accrued income	<u>-</u>	<u>100</u>

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals and deferred income	<u>11,766</u>	<u>11,201</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2018

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 2 May 2017 £	Movement in funds			Balance at 1 May 2018 £
		Incoming resources £	Resources expended £	Investments gains/losses £	
Westheimer Trust	1,809,124	53,561	(246,457)	34,129	1,650,357

The restricted fund represents the estate of the late Ilse Johanna Westheimer, which was established as The Ilse and Frieda Westheimer Charitable Trust on 18 October 2006. This fund is to be used for the advancement of education of asylum seekers or refugees, particularly in the areas of health and social care, or for such other charitable purposes as the trustees in their absolute discretion from time to time think fit.

Investment gains/losses comprise realised gains/losses on disposal of investments and unrealised gains/losses on revaluation.

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 1 May 2018 are represented by:			
Investments	-	1,536,744	1,536,744
Current assets/(liabilities)	12,219	113,613	125,832
	12,219	1,650,357	1,662,576

18 Related party transactions

The total donations received without conditions in the year from a related party amounted to £13,021 (2017: £12,388).