

Charity Registration No. 1091870

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 MAY 2017

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Baroness Neuberger DBE Polly Rossdale Professor Anthony Neuberger Sheila Spalding Dr Nicholas Sagovsky Dr Katie Petty-Saphon
Charity number	1091870
Principal address	SW Trust PO Box 12327 Colchester CO6 4XE
Independent examiner	J S Challis c/o H W Fisher & Company Chartered Accountant Acre House 11-15 William Road London NW1 3ER
Bankers	National Westminster Bank Plc Head Office 41 Lothbury London EC2 2BP
Solicitors	Berwin Leighton Paisner Adelaide House London Bridge London EC4R 9HA

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 14

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 1 MAY 2017

The trustees present their report and accounts for the year ended 1 May 2017.

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

In 2015, the Charity established the Westheimer Scholarship scheme to help meet the full costs of refugees and asylum seekers of outstanding quality in the field of health and social care. The first awards were made for six scholars starting in academic year 2015/16. In support of the scheme, the charity retained the services of the Refugee Support Network to help design, publicise and manage the award process, as well as to provide ongoing support to the scholars. The charity has also upgraded and improved its website so as to provide an effective gateway for applicants to both the Westheimer scholarships and other grants.

This year the Trust has awarded a further two Westheimer Scholarships covering fees and living expenses, and is in discussion with other possible funders with a view to establishing similar scholarships.

During the year, the Charity also awarded a number of grants, the majority of which were small grants for I.T. equipment to meet the educational needs of asylum seeking or refugee students.

The charity has considered the external factors that affect its performance. The very large increase in asylum seekers arriving in Europe, particularly from Syria, and the Middle East, has yet to have a direct impact on the UK. But it is likely to affect the future work of the charity both in terms of numbers of applicants, and the level of public support for higher education for asylum seekers and refugees. The impact on the work of the charity is uncertain, and the trustees will keep the situation under review.

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 2017

Financial review

In the last financial year the Charity made a surplus of £110,771 (2016: a deficit of £168,458). At 1 May 2017 the reserves stand at £1,838,561 (2016: £1,727,790) where £29,437 (2016: £25,256) is unrestricted and £1,809,124 (2016: £1,702,534) is restricted.

During the year the charity bought £669,986 (2016: £15,049) of investments. The investments held increased in value by £143,918 (2016: decrease in value by £53,864).

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

Polly Rossdale

Professor Anthony Neuberger

Sheila Spalding

Dr Nicholas Sagovsky

Dr Katie Petty-Saphon

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 2017

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



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Bayness Neuberger DBE

Trustee

Dated: 21. 2. 18

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 accounts of The Walter and Liesel Schwab Charitable Trust (the charity) for the year ended 1 May 2017.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts 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 accounts 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 accounts 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 accounts do not accord with those records; or
- 3 the accounts 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 accounts to be reached.



J S Challis

c/o H W Fisher & Company
Chartered Accountant
Acre House
11-15 William Road
London
NW1 3ER

Dated:

22 February 2018

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 1 MAY 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:					
Donations and legacies	3	15,688	-	15,688	22,331
Investments	4	-	52,477	52,477	59,198
Total income		15,688	52,477	68,165	81,529
Expenditure on:					
Raising funds	5	-	12,253	12,253	11,329
Charitable activities	6	11,507	152,469	163,976	174,657
Total resources expended		11,507	164,722	176,229	185,986
Net gains/(losses) on investments	11	-	218,835	218,835	(64,001)
Net movement in funds		4,181	106,590	110,771	(168,458)
Fund balances at 2 May 2016		25,256	1,702,534	1,727,790	1,896,248
Fund balances at 1 May 2017		29,437	1,809,124	1,838,561	1,727,790

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

All income and expenditure derive from continuing activities.

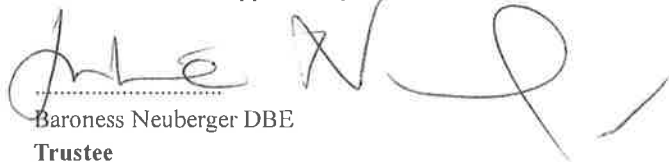
THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

BALANCE SHEET

AS AT 1 MAY 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Investments	12		1,710,940		1,576,882
Current assets					
Debtors	14	100		1,984	
Cash at bank and in hand		138,722		162,439	
		<u>138,822</u>		<u>164,423</u>	
Creditors: amounts falling due within one year	15	<u>(11,201)</u>		<u>(13,515)</u>	
Net current assets			127,621		150,908
Total assets less current liabilities			<u>1,838,561</u>		<u>1,727,790</u>
Income funds					
Restricted funds	16		1,809,124		1,702,534
Unrestricted funds			29,437		25,256
			<u>1,838,561</u>		<u>1,727,790</u>

The accounts were approved by the Trustees on 21.2.2018.



 Baroness Neuberger DBE
 Trustee

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 MAY 2017

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

The accounts 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.

These accounts for the year ended 1 May 2017 are the first accounts of The Walter and Liesel Schwab Charitable Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 2 May 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, 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 accounts.

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 accounts.

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.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

1 Accounting policies

(Continued)

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.

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 has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

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.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	15,688	22,331

All donations and gifts in 2017 and 2016 were unrestricted.

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

4 Investments

	2017	2016
	£	£
Income from listed investments	31,694	37,589
Interest receivable	20,783	21,609
	<u>52,477</u>	<u>59,198</u>

All investment income in 2017 and 2016 was restricted.

5 Raising funds

	2017	2016
	£	£
<u>Investment management</u>	12,253	11,329
	<u>12,253</u>	<u>11,329</u>
For the year ended 1 May 2016		
Investment management		<u>11,329</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

6 Charitable activities

	2017	2016
	£	£
Grant funding of activities (see note 7)	122,039	149,513
Share of support costs (see note 8)	34,503	18,376
Share of governance costs (see note 8)	7,434	6,768
	<u>163,976</u>	<u>174,657</u>
Analysis by fund		
Unrestricted funds	11,507	
Restricted funds	<u>152,469</u>	
	<u>163,976</u>	
For the year ended 1 May 2016		
Unrestricted funds		16,765
Restricted funds		<u>157,892</u>
		<u>174,657</u>

7 Grants payable

	2017	2016
	£	£
Grants to institutions:		
Grants to individuals	122,039	149,513
	<u>122,039</u>	<u>149,513</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

8 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Administrative costs	34,503	-	34,503	18,376
Independent examiners fees	-	7,434	7,434	6,768
	<u>34,503</u>	<u>7,434</u>	<u>41,937</u>	<u>25,144</u>
Analysed between Charitable activities	<u>34,503</u>	<u>7,434</u>	<u>41,937</u>	<u>25,144</u>

Governance costs include payments to the Independent Examiners of £7,434 (2016: £6,768) for Independent Examination and £nil (2016: £nil) for other services.

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 £24 (2016- £nil).

10 Employees

There were no employees during the year.

11 Net gains/(losses) on investments

	2017	2016
	£	£
Revaluation of investments	143,918	(53,864)
Gain/(loss) on sale of investments	74,917	(10,137)
	<u>218,835</u>	<u>(64,001)</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

12 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 2 May 2016	1,505,892	70,990	1,576,882
Additions	669,986	-	669,986
Valuation changes	143,918	-	143,918
Cash movements	-	(22,370)	(22,370)
Disposals	(657,476)	-	(657,476)
	<u>1,662,320</u>	<u>48,620</u>	<u>1,710,940</u>
At 1 May 2017	1,662,320	48,620	1,710,940
Carrying amount			
At 01 May 2017	<u>1,662,320</u>	<u>48,620</u>	<u>1,710,940</u>
At 01 May 2016	<u>1,505,892</u>	<u>70,990</u>	<u>1,576,882</u>

13 Financial instruments	2017 £	2016 £
Carrying amount of financial assets		
Equity instruments measured at fair value	1,710,940	1,576,882
	<u>1,710,940</u>	<u>1,576,882</u>
Carrying amount of financial liabilities		
Measured at amortised cost	11,201	13,515
	<u>11,201</u>	<u>13,515</u>

14 Debtors	2017 £	2016 £
Amounts falling due within one year:		
Prepayments and accrued income	100	1,984
	<u>100</u>	<u>1,984</u>

15 Creditors: amounts falling due within one year	2017 £	2016 £
Accruals and deferred income	11,201	13,515
	<u>11,201</u>	<u>13,515</u>

THE WALTER AND LIESEL SCHWAB CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 MAY 2017

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:

	Movement in funds				Balance at 1 May 2017 £
	Balance at 2 May 2016 £	Incoming resources £	Resources expended £	Investments gains/losses £	
Westheimer Trust	1,702,534	52,477	(164,722)	218,835	1,809,124

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 2017 are represented by:			
Investments	-	1,710,940	1,710,940
Current assets/(liabilities)	29,437	98,184	127,621
	<u>29,437</u>	<u>1,809,124</u>	<u>1,838,561</u>

18 Related party transactions

There were no disclosable related party transactions during the year (2016- none).