

**The Cutlers' Hall Preservation Trust Limited (a company
limited by guarantee)**

Financial statements

For the year ended 30 September 2018



Company no: 01655467
Charity no: 513038

Company information

Company registration number:	01655467
Charity registration number:	513038
Registered office:	The Cutlers' Hall 7-15 Church Street SHEFFIELD S1 1HG
Bankers:	Royal Bank of Scotland 5 Church Street SHEFFIELD S1 2GF NatWest 42 High Street SHEFFIELD S1 2GE
Solicitors:	HLW Keeble Hawson 14 Commercial Street SHEFFIELD S1 2AT
Independent Auditor:	Grant Thornton UK LLP Statutory Auditor Chartered Accountants 2 Broadfield Court SHEFFIELD S8 0XF
Investment advisors:	Investec Wealth & Investment Limited Beech House 61 Napier Street SHEFFIELD S11 8HA
Council of management:	C J Jewitt J E McGee J R Edwards (Resigned 25 October 2018) J H Newman K Cooke N P Cragg N D O Williams J A Tear (Appointed 25 October 2018)
Company secretary:	G A Kilburn
Key management:	G A Kilburn C Leach

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Report of the Council of Management

The Council of Management (who are Trustees of the Charity) present their report together with financial statements for the year ended 30 September 2018.

History and objectives

The Cutlers' Hall Preservation Trust Limited (The 'Charity'), which was incorporated in the United Kingdom on 30 July 1982, is a company limited by guarantee and is a registered charity.

The objects of the Charity are to preserve and maintain, for the benefit of the townspeople of Sheffield in the County of York and for the nation at large, the historical, architectural and constructional heritage of the Cutlers' Hall. This primary objective, together with a further supporting 19 objectives, is set out in the Memorandum and Articles of Association, which is the Trust's governing document.

Structure, governance and management

Governing document

The Cutlers' Hall Preservation Trust Limited was incorporated on 30 July 1982, is a company limited by guarantee and is a registered charity. It was established under a Memorandum of Association, which established the objects and powers of the charitable company ("the Charity") and is governed under its Articles of Association. In the event of the Charity being wound up all of the 33 Members are required to contribute an amount not exceeding £100.

Recruitment and Appointment of the Council of Management

The management of the Charity is vested in the Council of Management who, for Companies Act purposes, are equivalent to directors and are also Charity Trustees for the purposes of Charity law. The Council of Management is drawn from the 33 members of the Charity. Under the requirements of the Memorandum and Articles of Association, at the AGM one third of the Members of Council shall retire from office. A retiring member of Council is eligible for re-election.

Council of Management induction and training

All the Council of Management are very familiar with the practical work of the Charity as they have been Members of the Charity for several years beforehand and have attended a number of AGMs before being elected to the Council of Management. Some are also Trustees of other charities. In addition all the Council of Management have been given copies of the Charity Commission publication 'The Essential Trustee: What you need to know'.

Achievements and performance

During the year income totalled £125,698 (2017: £118,164) and expenditure of £241,008 (2017: £188,113) was directed towards the principal objective of preserving, insuring and maintaining the Cutlers' Hall.

The Cutlers' Hall and its artefacts have been protected and maintained throughout the year. There has been an increase in the interest in the Hall. This along with the Open Day held to coincide with the National Heritage Day in September have increased the number of people visiting the Hall.

Access: Organised tours of the Hall have been available for some time. Advertising, the Open Day and additional interest have resulted in an increased number of visitors. As in previous years, there has been an increase in the number of informal tours this year.

Security: The Hall is permanently manned whilst it is open and an alarm system provides security when the Hall is closed. Fully maintained fire alarms and security systems as well as the appropriate procedures are in place. In addition the Hall and its artefacts are fully insured. The Beadle and Deputy Beadle are available to respond to security alerts out of hours.

Maintenance: Essential repairs to the Hall have been carried out as required with priority given to safety issues followed by the maintenance of the integrity of the building and then to renovations and refurbishments. This year, the Old Banqueting Hall has been refurbished at a cost of £68,560. The cost of other renovations and refurbishment was £44,837 (2017: £70,888).

Report of the Council of Management

Education: The Company of Cutlers "Better Learners – Better Workers" Programme has continued this year in order to give young people the opportunity to focus their learning to prepare them for life after school and a work environment. There were 28 schools engaged in this across the City Region. In addition the Charity has supported students and apprentices through the Joint Awards scheme which allows engineers and design students to visit facilities and factories abroad. These awards are targeted at those who would not otherwise be able to benefit from this experience.

Other Charities: The Charity has made donations to other Charities, in particular the Lord Mayor of London's appeal.

Financial review

The results of the year are set out in the Statement of financial activities on page 9. The grant made to The Company of Cutlers in Hallamshire in the County of York to help maintain and develop the Cutlers' Hall under the terms of the objects was £113,397 (2017: £70,888). Of this £68,560 was contributed to the refurbishment of the Old Banqueting Hall (2017: £nil). Gross income increased by 6.3%, expenditure on charitable activities increased by 28% largely due to the increased expenditure on major refurbishment works in the hall. Other costs remained stable.

Future plans

The Charity will continue to encourage a larger number of visitors and greater publicity for the Hall. After the success of linking the Open Day to the National Heritage Day in recent years, it is planned to do the same thing next year and for the foreseeable future. The Charity will also fund appropriate security and insurance and it anticipates receiving applications for grants totalling £45,000 for the ensuing year for the general maintenance and preservation of the Cutlers' Hall. In addition, as we continue works to ensure that the Hall is in the best possible condition for the four hundredth anniversary of the Company in 2024, it anticipates that rooms on the ground floor will be refurbished in 2018-19 at a cost of approximately £50,000.

It is planned to run an educational award scheme again this year and to continue to support the Company of Cutlers "Better Learners Better Workers" programme. A grant from the Company of Cutlers is anticipated to offset the costs of this.

Public benefit

The public interest of the Charity in the objectives was met through an open day on Sunday 16 September 2018 and an increased number of tours of the Hall including providing them for school children and students from the University of Sheffield. We also regularly host visiting dignitaries on behalf of local businesses of the City Council. We will continue this policy in future.

Investment policy

The Council of Management investment powers are set out in the Memorandum and Articles of Association, as supplemented by the Trustees Act 2000. The Council of Management have considered their duties under the Act and have decided that the funds of the Charity should remain invested through Investec Wealth & Investment Limited with the aims being that:

- all Charity's investments are properly diversified;
- the level of risk is no higher than medium; and
- the overall return exceeds specific benchmarks agreed with the Fund Manager.

The Council of Management have instructed the investment manager to manage the portfolio on a fully discretionary basis and have entered into a formal agreement with Investec Wealth & Investment Limited for this purpose. The Council of Management review this strategy annually or as circumstances dictate.

Fundraising policy

The Cutlers' Hall Preservation Trust Limited accept donations but do not routinely engage in fund raising from the public.

Report of the Council of Management

Risk management

The Council of Management have examined the major strategic and operational risks to which the Charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the external risks the Charity faces. Internal control risks are minimised by the implementation of various procedures for authorisation of transactions and the safeguarding of assets. Overall they are satisfied there are adequate systems to mitigate those risks.

The Charity uses financial instruments, comprising investments, cash and debtors. The main purpose of these financial instruments is to finance the working capital cycle of the Charity and finance longer term capital needs. The Charity reviews risks at least annually and the main financial risks with mitigating actions are as follows:

Risk	Mitigating Action
Investment loss	Discretionary Management of the investment portfolios is vested in Investec under the terms of agreed Investment Management Statements drawn up and issued by the Trustees.
Misappropriation of investments	Investec indemnify the Trustees and Trust in the event of portfolio misappropriation within Investec.
Misappropriation of cash and cheques	Petty cash is kept secure in locked cash boxes in a locked safe. Cash box keys are held separately. Insurance cover is in place for £250 of cash during business hours when not in a safe, for £1,000 overnight when locked in a safe. Cheques can only be signed by the Master, Chairman Preservation Trust or the Clerk. Cheques for more than £1,000 must bear 2 signatures.
Loss of credibility	Reports, meetings and audit procedures ensure that the Trustees are able to monitor and maintain the objectives of the charities.
Cyber/Ransomware attack. Computer Failure	Systems are backed up daily and tapes stored in a fire proof safe overnight. Vulnerabilities exist but are mitigated by protective software.
Non Compliance with Data Regulation	Data is protected in line with current regulations. Procedures are adapted to deal with new regulations.

Reserves policy

The principal purpose of the Preservation Trust is the care and maintenance of the Hall. Though any major repair may well be the subject of a fundraising campaign, an urgent problem could require funds more quickly than they can be raised. This amount is set at £180,000. In addition, the Trust should be able to operate for 12 months if deprived of all its income and this would cost £120,000. Therefore the minimum reserves level for the Trust is £300,000. At 30 September 2018, total unrestricted reserves were £603,912 (2017: £703,230). The Trustees feel these reserve holdings are appropriate within the agreed policy.

Statement of the Council of Management responsibilities

The Council of Management (who are also directors of The Cutlers' Hall Preservation Trust Limited for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and regulations.

Company law requires the Council of Management to prepare financial statements for each financial year. Under that law, the Council of Management have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Council of Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period.

Report of the Council of Management

In preparing these financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Council of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council of Management confirms that:

- so far as each member is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Council of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

The Council of Management are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Council of Management confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Auditors

The Charity's articles require annual reappointment of the auditors. Grant Thornton UK LLP has expressed willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint Grant Thornton UK LLP as auditors will be proposed at the Annual General Meeting.

Small company exemptions

In preparing this report, the Council of Management has taken advantage of the small companies' exemption in Part 15 of the Companies Act 2006.

BY ORDER OF THE COUNCIL OF MANAGEMENT



G A Kilburn
Secretary
Dated: 28 February 2019



Independent auditor's report to the members of The Cutlers' Hall Preservation Trust Limited (a company limited by guarantee)

Opinion

We have audited the financial statements of The Cutlers' Hall Preservation Trust Limited (the 'Charity') for the year ended 30 September 2018 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 30 September 2018 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Independent auditor's report to the members of The Cutlers' Hall Preservation Trust Limited (a company limited by guarantee)

Other information

The Council of Management are responsible for the other information. The other information comprises the information included in the Report of the Council of Management, set out on pages 1 to 4. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Council of Management.

Matters on which we are required to report by exception

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

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

Responsibilities of Council of Management for the financial statements

As explained more fully in the Statement of Council of Management responsibilities set out on pages 3 and 4, the Council of Management (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council of Management determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council of Management are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Management either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of The Cutlers' Hall Preservation Trust Limited (a company limited by guarantee)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read "Michael Redfern".

Michael Redfern FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
SHEFFIELD
Dated: 1 March 2019

Statement of Financial Activities (incorporating the Income and Expenditure Account)

	Note	2018 £	2017 £
Income and endowments from:			
Donations		89,842	94,287
Charitable activities – tours and lecture income		2,649	2,433
Investments		20,018	21,444
Other income	5	13,189	-
Total income		<u>125,698</u>	<u>118,164</u>
Expenditure on:			
Charitable activities	6	<u>241,008</u>	<u>188,113</u>
Total expenditure		<u>241,008</u>	<u>188,113</u>
Net expenditure before gains on investments		(115,310)	(69,949)
Net gains on investment assets	7	<u>20,131</u>	<u>68,934</u>
Net expenditure and net movement in funds	16	(95,179)	(1,015)
Fund balances brought forward at 1 October 2017	16	<u>863,666</u>	<u>864,681</u>
Fund balances carried forward at 30 September 2018	16	<u>768,487</u>	<u>863,666</u>

All operations of the Charity are considered to be continuing.

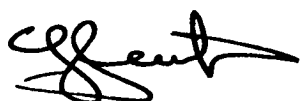
All incoming and outgoing resources above relate to the Charity and are unrestricted.

The accompanying accounting policies and notes on pages 11 to 17 form an integral part of these financial statements.

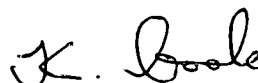
Balance Sheet

	Note	2018 £	2017 £
Fixed assets			
Investments	11	<u>717,269</u>	<u>684,912</u>
Current assets			
Debtors	12	19,036	17,888
Cash at bank and in hand		<u>43,587</u>	<u>166,980</u>
		<u>62,623</u>	<u>184,868</u>
Creditors: amounts falling due within one year	13	<u>(11,405)</u>	<u>(6,114)</u>
Net current assets		<u>51,218</u>	<u>178,754</u>
		<u>768,487</u>	<u>863,666</u>
Capital funds			
Endowments	15,16	140,170	140,170
Income funds			
Unrestricted funds	15,16	<u>628,317</u>	<u>723,496</u>
	15,16	<u>768,487</u>	<u>863,666</u>

The financial statements were approved and authorised for issue by the Council of Management on 28 February 2019.



C J Jewitt
Chairman of the Council of Management



K Cooke
Master Cutler 2017/18

Members of the Council of Management

Company no: 01655467
Charity no: 513038

The accompanying accounting policies and notes on pages 11 to 17 form an integral part of these financial statements.

Cash Flow Statement

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used by operating activities	17	<u>(131,185)</u>	<u>(98,348)</u>
Cash flows from investing activities			
Investment income		20,018	21,444
Purchases of investments		(35,104)	(47,790)
Proceeds on sale of investments		22,878	172,887
Net cash provided by investing activities		<u>7,792</u>	<u>146,541</u>
Change in cash and cash equivalents in the year		(123,393)	48,193
Cash and cash equivalents brought forward		<u>166,980</u>	<u>118,787</u>
Cash and cash equivalents carried forward		<u><u>43,587</u></u>	<u><u>166,980</u></u>

The accompanying accounting policies and notes on pages 11 to 17 form an integral part of these financial statements.

Notes to the financial statements

1 Charitable Company information

The Cutlers Hall Preservation Trust Limited is a company limited by guarantee (Company number 01655467) and is registered with the Charity Commission (number 513038). The registered address is The Cutlers Hall, 7-15 Church Street, Sheffield, S1 1HG.

2 Basis of preparation followed by policies

The financial statements have been prepared in accordance with the applicable United Kingdom accounting standards including Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)-(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention, except for the modification to a fair value basis for certain financial statements as specified in the accounting policy below.

The financial statements are presented in Sterling (£).

Going concern

The financial statements have been prepared on the going concern basis. The Council of Management have assessed the going concern position and have no reason to believe that there is a material uncertainty that would affect the ability of the organisation to continue as a going concern for the foreseeable future. The Council of Management consider the foreseeable future to be at least 12 months from the date that the financial statements are signed.

Income

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

Other income

Other income, which relates to management charges is reconciled when receivable.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure, which is charged on an accruals basis, is allocated to expenditure incurred directly to the fulfilment of the Charity's objectives (charitable activities).

All costs are allocated directly to the applicable expenditure heading.

Notes to the financial statements

Grants payable

All grants payable are included in the Statement of financial activities in the year in which they are paid.

Retirement Benefits

Defined Contribution Pension Scheme

The pension costs charged against operating profits are contributions payable to the scheme in respect of the accounting period.

Fixed asset investments

Investments are stated at fair value at the balance sheet date. Movements in fair value are recognised in the Income Statement.

Creditors

Short term creditors are measured at the transaction price.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

3 Significant judgements and estimates

There were no significant judgements or estimation uncertainties in the preparation of these financial statements.

4 Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Endowment funds represent those funds which must be held permanently in trust by the Charity for the benefit of the Charity.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Charity.

Designated funds are unrestricted funds which have been designated for a specific purpose by the Council of Management.

Notes to the financial statements

5 Other income

	2018 £	2017 £
Recharge of salaries – The Company of Cutlers in Hallamshire in the County of York	10,750	-
Recharge of salaries – The Combined Cutlers Company Charitable Trust	2,439	-
	<u>13,189</u>	<u>-</u>

6 Expenditure

	2018 £	2017 £
Charitable activities in relation to the preservation of the Cutlers' Hall		
Direct costs		
Grant to Company of Cutlers for Hall repairs	113,397	70,888
Salaries	37,315	45,210
Employers' NI	342	1,192
Pension	1,670	1,902
Management charges – The Company of Cutlers in Hallamshire in the County of York	36,915	12,000
Sundry expenses	664	688
Investment manager fees	3,804	4,466
Insurance	26,430	25,476
Education	12,861	18,766
Marketing	4,733	4,327
Artefacts	-	476
Governance – Audit fees	2,877	2,722
Total	<u>241,008</u>	<u>188,113</u>

7 Net gains on investments

	2018 £	2017 £
Realised gains	2,503	16,311
Unrealised gains	17,628	52,623
	<u>20,131</u>	<u>68,934</u>

8 Auditor's Remuneration

	2018 £	2017 £
Audit fees	<u>2,877</u>	<u>2,722</u>

Notes to the financial statements

9 Employees

The average number of employees during the year was 8 (2017: 9).

The key management personnel consist of the Clerk to The Company of Cutlers in Hallamshire in the County of York and the Company Accountant. The Clerk is employed on a joint contract with The Cutlers' Hall Preservation Trust Limited and The Company of Cutlers in Hallamshire in the County of York 35% of his costs being charged to the Preservation Trust. The Cutlers' Hall Preservation Trust is also charged 5% of the Company Accountant's costs. The total cost in 2018 is £31,120 (2017: £24,094). No remuneration has been paid to any member of the Council of Management (2017: £nil) and no (2017: £nil) expenses have been reimbursed for attendance at meetings or in connection with the running of the Charity's affairs.

No employee has earned £60,000 per annum or more in the current or preceding accounting period.

10 Tangible fixed assets

No value is shown in the balance sheet for land owned by the Charity, as the trustees believe that its market value is negligible.

11 Fixed asset investments

	Listed Investments £
Market value	
At 1 October 2017	684,912
Additions	35,104
Disposals	(20,375)
Unrealised gain	17,628
At 30 September 2018	<u>717,269</u>

Investments listed above fall into the following categories:

	2018 £
UK fixed interest bonds	100,154
Overseas fixed interest bonds	28,499
UK equities	229,031
European equities	60,654
Northern American equities	90,234
Japanese equities	29,151
Far East & Australasian equities	18,513
International equities	29,898
Emerging Economies equities	17,581
UK property	36,109
Alternative assets	77,445
	<u>717,269</u>

The valuation is based on mid-market prices from the appropriate Stock Exchange, market makers or from the relevant fund manager. Where the fund managers publish a single price, the valuation has been prepared on the basis of a single published price. The prices of financial instruments subject to low liquidity, due to their special characteristics are evaluated on a best endeavours basis.

Notes to the financial statements

£

Historical cost of investments at 30 September 2018

538,621

The differences between the market value and the historical cost of investments is included in unrestricted funds.

Individual investments which comprise over 5% of the value of the portfolio are:

	% of value of portfolio	
	2018	2017
UK (Govt of) 1.875% 2022	5.2	5.5
UK (Govt of) 2.5% STK 2020	<u>5.4</u>	<u>5.7</u>

12 Debtors

	2018	2017
	£	£
Trade debtors	1,180	790
Other debtors and prepayments	<u>17,856</u>	<u>17,098</u>
	<u>19,036</u>	<u>17,888</u>

13 Creditors: amounts falling due within one year

	2018	2017
	£	£
Social security and other taxes	932	663
Accruals	3,284	4,760
Amount owed to The Company of Cutlers in Hallamshire in the County of York	<u>7,189</u>	<u>691</u>
	<u>11,405</u>	<u>6,114</u>

14 Capital Commitments

There were no capital commitments at 30 September 2018 or at 30 September 2017.

15 Analysis of net assets between funds

	Endowment fund	Unrestricted fund	Designated fund	Total funds
	£	£	£	£
Investments	140,170	577,099	-	717,269
Net current assets	-	26,813	24,405	51,218
	<u>140,170</u>	<u>603,912</u>	<u>24,405</u>	<u>768,487</u>

Notes to the financial statements

16 Funds

	Endowment fund £	Unrestricted fund £	Designated Fund * £	Total funds £
At 1 October 2017	140,170	703,230	20,266	863,666
Income	-	125,698	-	125,698
Expenditure	-	(228,147)	(12,861)	(241,008)
Realised gains on investments	-	2,724	-	2,724
Unrealised gains on investments	-	17,407	-	17,407
Transfer	-	(17,000)	17,000	-
At 30 September 2018	140,170	603,912	24,405	768,487

* In prior years a designated fund was established to designate expenditure towards an educational award scheme and to fund the "Better Learners, Better Workers" programme.

17 Reconciliation of changes in resources to net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	(95,179)	(1,015)
Investment income	(20,018)	(21,444)
Increase in debtors	(1,148)	(963)
Increase/(decrease) in creditors	5,291	(5,992)
Investment gains	(20,131)	(68,934)
	<u>(131,185)</u>	<u>(98,348)</u>

18 Members' liability

The liability of members of the Charity is limited. Every member of the Charity undertakes to contribute to the assets of the Charity in the event of the same being wound up under terms specified in the Charity's Memorandum of Association. Such amounts may not exceed £100.

19 Retirement benefit

Defined Contribution Pension Scheme

The Charity operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the Charity.

Notes to the financial statements

20 Financial assets and liabilities

	2018 £	2017 £
Financial assets carried at amortised cost:		
Trade debtors	1,180	790
Financial assets carried at fair value:		
Investments	717,269	684,912
Financial liabilities carried at amortised cost		
Amounts owed to related parties	7,189	691
Accruals	3,284	4,760
	10,473	5,451

21 Related parties

The Cutlers Hall Preservation Trust Limited is related to The Company of Cutlers in Hallamshire in the County of York and The Combined Cutlers Company Charitable Trust as a result of having key management personnel in common with these entities.

Included in direct costs is £36,915 (2017: £12,000) recharged from the Company of Cutlers in Hallamshire in the County of York staff costs.

22 Comparative SOFA

	2017 £
Income	
Donations	94,287
Charitable activities	2,433
Investments	21,444
Total income	118,164
Expenditure	
Charitable activities	188,113
Total expenditure	188,113
Net (expenditure) before gains on investments	(69,949)
Net gains on investment assets	68,934
Net expenditure and net movement in funds	(1,015)
Fund balances brought forward at 1 October 2016	864,681
Fund balances carried forward at 30 September 2017	863,666