

Companies House

Report and Financial Statements

For the year ended 31 July 2021

The Guildhall School Trust

Company limited by guarantee
registration number 04041975
(England and Wales)

Charity registration number 1082472

Administrative information for the year ended 31 July 2021

President

The Rt Hon The Lord Mayor

Trustees

Deborah Lincoln (Chair)
Stephen Bland
Neil Constable
David Graves
Lew Hodges
Rongrong Huo (appointed March 2021)
Gillian Laidlaw
Vivienne Littlechild (retired June 2021)
Graham Packham (appointed June 2021)
Howard Ricklow
Melissa Scott (retired June 2021)
Professor Jonathan Vaughan (appointed August 2021)
Lynne Williams (retired August 2021)

Sub Committees

Investment Sub Committee

Tim Pethybridge (former Trustee & Co-opted Chair)
Rongrong Huo (from May 2021)
Deborah Lincoln

Finance Sub Committee

Lew Hodges (Chair)
Stephen Bland (from November 2020)
Deborah Lincoln

Company Secretary

Rachel Davis

Company Registration Number

04041975

Registered Charity Number

1082472

Principal Address

c/o Guildhall School of Music & Drama
Silk Street
London EC2Y 8DT

Auditor

Buzzacott LLP
130 Wood Street
London EC2V 6DL

Bankers

Barclays Bank plc
54 Lombard Street
London EC3P 3AH

Investment Managers

Cazenove Capital
100 Wood Street
London EC2V 7ER

Sarasin & Partners LLP

Juxon House
100 St Pauls Churchyard
London EC4M 8BU

Solicitors

Bates Wells (to May 2021)
10 Queen Street Place
London EC4R 1BE

BDB Pitmans LLP (from May 2021)
One Bartholomew Close
London EC1A 7BL

Governing Document

Articles of Association

The Guildhall School Trust

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Chair's Foreword



Reflecting on the past year, I am immensely proud of everything that the Trust and its generous donors have continued to achieve together in support of Guildhall School and its talented community of musicians, actors and production artists. COVID-19 remains one of the toughest challenges for a generation and the funds raised this year have provided crucial support to many individual students and to the School as a whole. With the Trust's help, the School has developed ground-breaking blended-learning solutions that have enabled students to continue their studies throughout the pandemic and to reach broader local and international audience audiences through online performances.

The Trust continued its flagship commitment to the School's scholarship programme, contributing essential support for over half of students at both undergraduate and postgraduate level and providing awards for the School's under 18 provision. This support is more important than ever before, as the School continues to focus on diversifying its talent base. We

also provided financial backing to enable the School to fulfil its mission to deliver truly distinctive higher education training, nurture the development of artistic citizens, and lead lasting cultural change in society through research and knowledge exchange.

Our ability to support the School's work is only possible thanks to a fantastic group of individuals, liveries, companies and trusts. Their support and enthusiasm is vital for the School's ground-breaking work and exciting projects, which this year has included the live broadcast of four full operas and drama productions in the summer 2021 season. This commitment enables the School to continue to fulfil its commitment to provide students with excellent coaching at the highest level.

Since our last annual report, I'm delighted to welcome our new Trustees, Rongrong Huo, Graham Packham, who joins us as the incoming Chair of the Board of Governors of Guildhall School and Professor Jonathan Vaughan, Interim Principal of Guildhall School. This year also saw the retirement from the Board of Melissa Scott, Vivienne Littlechild and Lynne Williams. I thank them for their dedication over many years to the Trust's activities in support of the School.

I would also like to take a moment to put on record our appreciation for the extraordinary achievement of Lynne Williams, the outgoing Principal of Guildhall School, in leading and nurturing the world-class artistic endeavours of this wonderful international community. I would also like to welcome the Interim Principal, Professor Jonathan Vaughan on his appointment to the role and look forward to working together to achieve many of the exciting plans the School has for the future.

Finally, I would like to express my gratitude again to all those who have helped to make it another strong year for the Trust - our valued supporters, funders and community partners, my fellow Trustees, the whole team at Guildhall School, their dedicated Development Team and the amazing students who inspire us.

Music and the dramatic arts have the power to transform lives. By adding your support, together we can help even more talented young artists of every background to take up the exceptional training offered by the School and enable them to fulfil their artistic potential.

Deborah Lincoln, Chair of the Board of Trustees

The Guildhall School Trust

Report of the Trustees

Incorporating the Directors' report for the year ended 31 July 2021

The Trustees (who are also directors of The Guildhall School Trust for the purpose of company law), present their report and audited financial statements for the year ended 31 July 2021. They have been prepared in accordance with the accounting policies set out in note 1 of the Financial Statements and comply with The Guildhall School Trust Articles of Association. They also comply with applicable charity laws and recommended practice (FRS102 and the Charities SORP).

Structure, management and governance

The governing documents and constitution of the charity

The Guildhall School Trust (the Trust) is a charitable company limited by guarantee, incorporated in July 2000 and registered as a charity in September 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Trust's Objects are:

- to advance the education of students and prospective students of the Guildhall School of Music & Drama in music or drama (including stage management and related production and design) and any other object considered by the Trustees to be beneficial to the promotion of music and drama (including stage management and related production and design) at the Guildhall School; and
- to support any charitable purpose in which the Guildhall School or any student may engage, and which promotes music or drama (including stage management and related production and design).

The Trust fulfils these Objects by making grants to the School. All grants approved during the year were for the furtherance and enhancement of educational activities at Guildhall School of Music & Drama in line with the Objects.

The Board of Trustees

The Trustees who served during the year to 31 July 2021 and to the date of approval of these accounts, are listed on page 1.

The company's Articles of Association provide that the following shall be *ex officio* Trustees:

- the Principal of the School
- the Chair of Governors of Guildhall School.

Also a quorum must comprise a majority of independent Trustees unaffiliated to the City of London.

Trustees give their time voluntarily. None of the Trustees received any reimbursed expenses or remuneration for their services during the year.

The Board conducts regular self-evaluation performance reviews, usually in conjunction with a Board Away Day, to assess how the Board functions as a whole and focus on areas identified for improvement or change.

Management of the Trust

The Board met four times during the year and Trustees approved Trust activities at these meetings. Trustees consider that they are the key management personnel for the Trust, as the Trust has no staff of its own.

A Group Accountant of Guildhall School of Music & Drama / Barbican Centre provides accountancy services, and the School's Development and Alumni Relations Office (DARO) coordinates all fundraising activity in accordance with the Trust's charitable objectives.

DARO also provides administrative support, employing Trust Manager & Company Secretary, Rachel Davis.

Sub-Committees

The Finance Sub-Committee meets quarterly in advance of the Board meeting. Recommendations from the Sub-Committee are submitted to the full Board for discussion and approval.

The Investment Sub-Committee meets annually with each Investment Manager to formally review their performance against Trustee set objectives. The Sub-Committee provides an update on the performance of the Trust's investment portfolios at quarterly Board meetings.

The Guildhall School Trust

Trustees Recruitment and Training

Whilst the Board was pleased to welcome new Trustee, Rongrong Huo in March, with the retirement of Melissa Scott, there is scope to further expand the Board. Work is underway to prepare a new recruitment pack and the Board is planning for a recruitment drive at the beginnings of the next academic year.

The Trust is committed to ensuring that individuals with a diverse range of skills, experience and backgrounds are encouraged to apply and contribute fully as trustees. The Board is ambitious to recruit and continue to support new Trustees with a wide range of skills and experience. A comprehensive induction for new Trustees is supported by further training opportunities.

Diversity

The Trust is committed to ensuring that the principles of equality and diversity are embedded in its actions policies and decision making. Accordingly the Board has been working closely with an EDI consultant over the past year to create an EDI policy for the Board and to ensure the principles are embedded in the recruitment of new Board members. The current board took part in diversity training as part of the Board Away Day and Trustees remain committed to continuing this work and taking action to further diversify its Board membership.

Related Party Transactions

Lynne Williams (retired August 2021) and Professor Jonathan Vaughan (appointed August 2021) - Principal of the School, Vivienne Littlechild (retired June 2021) and Graham Packham (appointed June 2021) - Chair of Governors of Guildhall School and David Graves are all deemed related parties.

Grants and gifts in kind made to related parties are detailed in Note 11 of the Financial Statements.

Risk Management

The Trust maintains a Risk Register, which identifies the significant risks rated by the level of risk and the likelihood of this risk occurring, with identified mitigating actions. The register is updated regularly and reviewed quarterly by the Finance Sub-Committee and biannually by Trustees.

The impact of the COVID-19 pandemic has continued to be a key consideration for Trustees during the year. The Board has continued to hold all Board Meetings and the Board Away Day online, maintaining regular communications with support staff and the DARO team.

Trustees continue to monitor the risk the challenges of the pandemic present to the Trust's ability to sustain the real value of its invested funds whilst generating the income necessary to sustain its desired level of grant giving. The Investment Sub-Committee continued to work closely with the Managers to monitor the situation and take action as appropriate (see Investment Management report on page 15).

The Board remains aware of the risk related to keeping compliant with the changing regulatory environment affecting charities. Accordingly Trustees have continued to review, challenge and strengthen governance arrangements to mitigate these risks. Working to finalise the policies within the Framework Agreement with the School and undertaking a review of current policies under the guidance of the Trust's legal advisers, BDB Pitmans.

The Board has agreed a specific Trust Safeguarding Policy, which will be included in the annual review of policies to ensure that they remain fit for purpose. The Trust's Company Secretary is the Trust's Designated Safeguarding Lead.

Trustees are satisfied that all material and reasonably foreseeable risks have been identified and that systems and controls are in place to manage those risks.

The Guildhall School Trust

Relationship with Guildhall School of Music & Drama

The School

Guildhall School of Music & Drama is a vibrant, international community of musicians, actors and production artists in the heart of the City of London.

One of the world's leading conservatoires, Guildhall School is ranked top conservatoire in the Guardian University Guide music league table, and delivers world-class professional training in partnership with distinguished artists, companies and ensembles.

A global leader in creative and professional practice, the School promotes innovation, experiment and research, and is one of the UK's leading providers of lifelong learning in the performing arts, offering inspiring training for children, young people, adult learners, and creative and business professionals. Over 2,500 pupils study at under-18 level in our Guildhall Young Artist programmes, Junior Guildhall and the Centre for Young Musicians.

The School has over 1,000 students in higher education, representing more than 70 nationalities.

The Trust and the School

The Trust and the School are near completion of a framework agreement that identifies key areas of interaction and clearly defines accountabilities. During the year the Data Sharing and Data Processing Policy was approved in July 2021. The Board is working with legal representatives, BDB Pitmans, on an overarching agreement, behind which all the agreed policies will sit. This work will be completed by the end of the calendar year 2021.

Approach to fundraising

The Development team is responsible for fundraising, with the Board retaining oversight of these activities as they relate to the Trust.

The fundraisers aim to ensure the following in their fundraising interactions with all organisations and individuals:

- To treat donors with respect and be responsible and compliant with personal data legislation
- To implement a clear and transparent policy for the acceptance of donations which are aligned to the School's values, strategic goals and financial needs
- To nurture strong and positive relationships with donors, meeting their needs and demonstrating the impact of their philanthropy.

Supporters of the School make contributions to the Trust in many forms including financial gifts, grants, legacies, subscribing to annual philanthropy programmes and by attending fundraising events.

The Trust is registered with the Fundraising Regulator. The Development team undertakes an annual review of the Regulator's Code of Fundraising Practice, and endeavours to keep abreast of changes in legislation, regulation and best practice in fundraising.

Neither the Trust nor the School received any material complaints from donors or members of the public about its fundraising practices this year.



Opera Scenes, autumn 2020 © Guildhall School / Matthew Ferguson (FG Studios)

Achievements, impact and public benefit

Donations and impact 2020/21

The Trust is immensely grateful for the generosity of individuals, liveries, companies and trusts whose support has made such a difference to the students, staff and to the delivery of educational programmes at the School, during a year of challenges caused by the impact of the pandemic.

Donations supported a range of projects, enabling the School to realise its ambitions in key areas, which include:

- The provision of scholarships and pastoral support to exceptionally talented students, relieving financial, social and physical barriers to their training;
- Delivering the Guildhall Young Artists programme, helping young people to find their creative voice;
- Providing distinctive degree programmes producing world-class artists;
- Nurturing artistic citizens who enrich the lives of others, encourage public engagement and make a positive impact on the world;
- Leading cultural change in society through professional development, research and knowledge exchange

During the year the Trust received grants and donations of £1,537,923. These comprised endowed gifts totalling £410,199, donations restricted to specific activities totalling £1,023,360 and unrestricted donations totalling £104,364.

Trustees have also complied with Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.



A Midsummer Night's Dream, autumn 2020 © Guildhall School / Mihaela Bodlovic

The Guildhall School Trust

The Trust supports the School's mission to provide scholarships and pastoral support to exceptionally talented students, relieving financial, social and physical barriers to their training

Student Scholarships

Income raised through the Trust contributed to 578 scholarships for undergraduate and postgraduate students at the School.

This vital support has enabled the School to continue to deliver world-class professional training to the next generation of musicians, actors and production artists. It has provided hundreds of students with the means to live and study in London, widened horizons, created unrivalled opportunities and enabled the School's international community to adapt and flourish despite the impact of a global pandemic.

Takiyah: first year Production Arts student

I feel incredibly fortunate to have received support through Guildhall School's Scholarships programme. This financial help has quite simply given me freedom – freedom to focus on things other than how to pay rent or travel costs and juggle part-time jobs. I have had the head space and mental agility to apply myself fully to my learning and the confidence to try new things and get involved in projects I could never have committed to had I been having to hold down paid work.

As a more mature student, I was worried about the effect my return to education would have on my life, but the support I've received has alleviated this anxiety and enabled me to seize every opportunity. Even with the extra challenges of a year in lockdown, I've been able to rent the flat I needed, and continue honouring other commitments as a youth mentor and events manager in Hackney – and still been able to afford to eat more than instant noodles!

I've had the means to travel regularly into Guildhall for practical lessons in LX focusing, rigging and projection mapping, as well as to our theatre to shadow other students and help with fit ups and strikes of events at evenings and weekends, and to visit places of interest on my course. I have indulged my creativity on all sorts of projects in sound, lighting, and video projection, and seen my technical abilities transformed through these experiences.

I have gained the confidence to place myself within the industry, believing in my own credentials as a theatre technician, and improving my career prospects more than I ever imagined. I have forged really interesting relationships, and experienced the energy of brilliant colleagues and knowledgeable, approachable lecturers.

I cannot thank Guildhall supporters like Hugh Vanstone enough, who give myself and other scholars these opportunities, and the freedom to grab them with both hands.

Hugh Vanstone is one of the UK's foremost lighting designers



The Guildhall School Trust

The Trust supports the School's mission to enable Guildhall Young Artists programme to help young people find their creative voice

Income raised through the Trust contributed to 80 Guildhall Young Artist scholarships for children and young people under the age of 18 attending Junior Guildhall and the Centre for Young Musicians (CYM).

Junior Guildhall

Junior Guildhall is a specialist Saturday School offering advanced pre-conservatoire training to young people between the ages of 4 and 18. This comprehensive programme delivers training at the highest level to talented young musicians within a stimulating, challenging, creative, supportive and nurturing environment, enabling students to reach their full potential. Students receive the type of considered personal attention that young musicians really benefit from, with timetables tailored to their individual needs.



Of all the awards made this year, four exceptionally talented young musicians to benefit from scholarships are worthy of note. They include a pianist, clarinettist, violinist and a multi-talented musician with six specialisms. The families of these students are subject to huge costs to maintain their musical education. In addition there is the need to provide a senior Guildhall professor to nurture their extraordinary talent and growing potential. One of the youngest students, now aged seven, composed a quartet at the age of six, as a tribute to the NHS, which was premiered and performed by working doctors in July. Critically the support these young students has received has not only helped their families through a very difficult period, but has also enabled them to blossom under the tutelage of Guildhall professors.

Centre for Young Musicians

The Centre for Young Musicians (CYM) provides high quality training for thousands of children, with branches in London, Norwich, Taunton, Saffron Walden and Peterborough. CYM plays a key part in the School's provision of accessible progression routes, increasing the number of children from disadvantaged backgrounds gaining high-level music training. In 2020/21, the Leverhulme Trust provided scholarships to 36 talented young musicians across all five CYM centres.

"To have been awarded the Leverhulme scholarship has been a massive privilege. The opportunities it opened have led me on a diverse musical journey, from composing for the King's Lynn Festival and the final of the Guildhall Release competition, to learning performance to the best of my ability. I have achieved a Grade 8 Distinction on both clarinet and bassoon and have reached a similar level on both piano and saxophone. This has allowed me to play recitals, and also in larger ensembles, across prestigious venues such as the Royal Albert Hall, along with exploring other genres including jazz, indie and even metal. None of this would have been possible without the support of this scholarship, which I truly believe has shaped my path as a musician and composer, and pushed me to achieve the highest level I can."

Christopher Brooke

"Ever since I joined the Norfolk Centre for Young Musicians in 2014, I have dreamt of becoming a professional musician. The Leverhulme scholarship has helped me in my journey to achieving my ambition through mentoring by NCYM tutors. I had opportunities I wouldn't have received through education alone, such as taking part in a variety of regular ensembles and performing alongside my peers at numerous venues. I also discovered my love for singing in a choir, which I had no idea I had before joining NCYM!"

Lottie Mahoney

The Guildhall School Trust

The Trust supports the School's mission to deliver distinctive degree programmes enabling the School's artists to be world-class

Guildhall School training equips students to make their mark as accomplished performing and production artists, composers and writers, theatre makers, creative entrepreneurs and teachers.

Students are challenged to work to professional standards in a world-class context, drawing on the insights and skills of internationally renowned artists and practitioners.

Income raised through the Trust has enabled a variety of artistic projects, directly supporting Guildhall School's students.

Enhanced Chamber Music Coaching

This academic year has been, against all odds, one of the most successful for chamber music commitments and achievements. Despite the logistical challenges of socially distanced coaching and rehearsal, students were engaged in, and grateful for, the extensive chamber music provision the School has been able to deliver.

During 2020–21, with the generous support of the Albert and Eugenie Frost Music Trust, Guildhall School facilitated an expanded provision of chamber music coaching. In addition, innovative online and live seminars on topics related to chamber music (including advice from existing world class ensembles and chamber music festivals) proved extremely successful.



Matthew Jones, Head of Chamber Music © Guildhall School / Paul Cochrane

With little performing work available, most advanced postgraduate students immersed themselves in chamber music with the most gratifying results, both in terms of depth and range of exploration within repertoire. The examination standard was extremely high, and the entries for our internal Saint James Prize were so numerous that the competition lasted seven hours.

“Chamber music at Guildhall has been a huge part of both my undergraduate and postgraduate studies. The structure of the department allows us to have frequent coaching with the amazing faculty staff, as well as extra sessions with a wide range of visiting ensembles. Having the opportunity to be coached by members of The Endellion Quartet, Heath Quartet, Danish String Quartet and Takács Quartet (to name a few!) has made a great impact on my development as a chamber musician and been massively inspirational.”

Kate Correia De Campos, Norman Gee Foundation Scholar

Vocal Masterclass Series

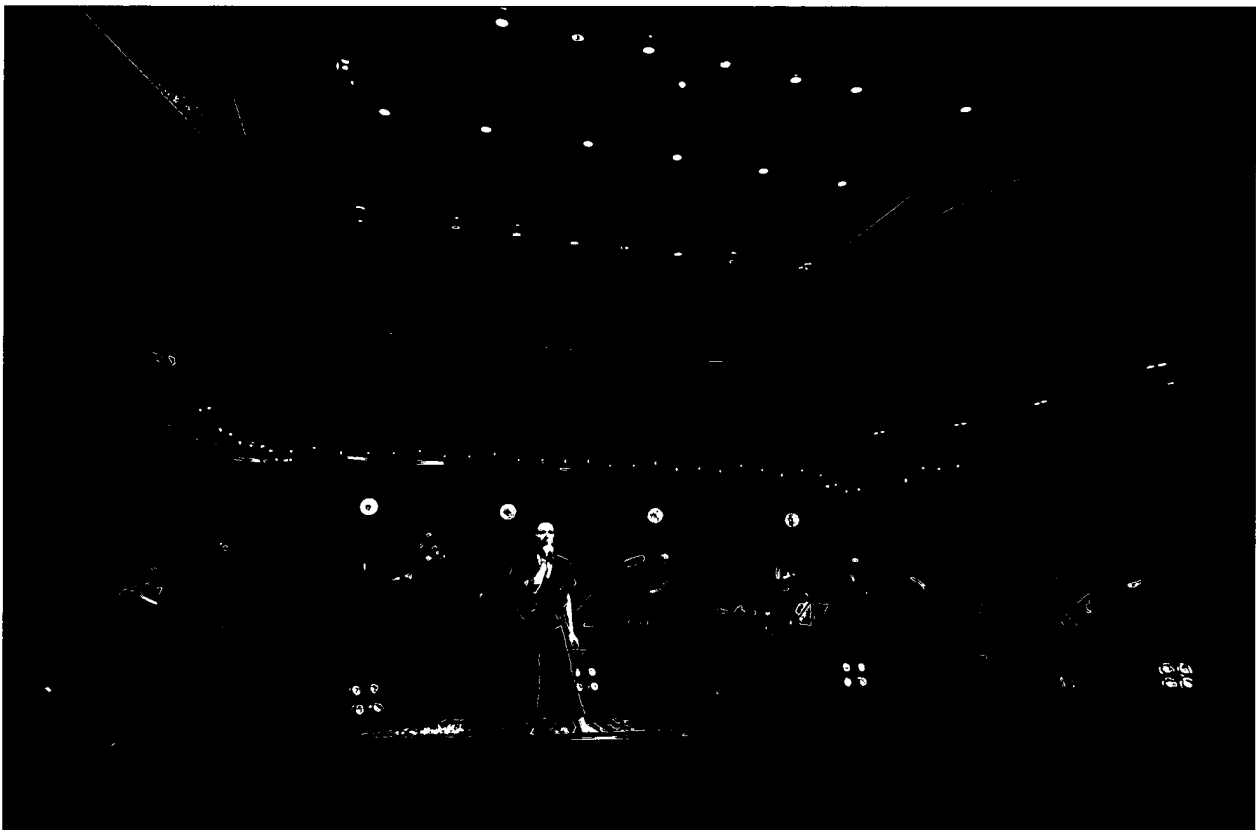
An anonymous gift provided for an enhanced programme of vocal masterclasses involving Katie Mitchell OBE, Jonathan Dove CBE, Richard Hetherington, Jessica Cottis and Francesco Cilluffo, highlighting the perspectives of the director, composer, coach and conductor in vocal music.

The Guildhall School Trust

Events broadcasts

Many School events planned for the School's digital events season had to be postponed or cancelled due to government restrictions; however, a number of events were able to go ahead, some with students creating and performing from home, and some in-person at the School when students were able to return. A number of these events were broadcast online to audiences at home, via the School's website. The two most viewed broadcasts were *Pieces of Us*, a devised work by Acting, Production Arts and Electronic & Produced Music students, and the Guildhall Studio Orchestra's *The Great British Songbook – The Beatles Reimagined* concert, attracting over 6,000 views between them. As a whole, the spring 2021 season of events reached audiences in 95 countries across the world.

During the summer 2021 events season, a number of individual donors supported the technical support costs for the four opera and drama broadcasts in the summer 2021 events season.



Beatles Reimagined, April 2021 © Guildhall School / Matthew Ferguson (FG Studios)

The Guildhall School Trust

The Trust supports the School's mission to nurture artistic citizens who enrich the lives of others, encourage public engagement and forge a positive impact on the world

Active engagement with diverse communities keeps students constantly alive to the unique potential of the performing arts to provide pathways to self-expression and positive social change. Income raised through the Trust has enabled a variety of socially engaged projects led by students and staff.

Music for Relaxation, Bonding and Healing

Alumna Rhia Parker's pilot project, funded by UCLH Charity and the Friends of UCLH, involved postgraduate students from Guildhall School composing, arranging and recording music to support mother-baby bonding.

Music has been shown to decrease anxiety for both mothers and babies and is a powerful and universal tool for connection. This new project, taking place on the antenatal and postnatal wards on the Elizabeth Garrett Anderson Wing of University College Hospital, aimed to support positive and healthy birthing journeys, especially at a time when Covid-19 has been presenting additional stresses and challenges for new mothers.

Project leader and School alumna Rhia Parker had already gained experience of creating and performing music in healthcare settings through her award-winning project Music, Memory & Me, which was delivered on the elderly care wards at University College Hospital and the Royal Free Hospital.



Rhia Parker, Project leader and School alumna

The Guildhall School Trust

The Trust supports the School's mission to lead cultural change in society through professional development, research and knowledge exchange

Arts & Health Studentship

An anonymous donation enabled the Doctoral team to offer an Arts and Health doctoral studentship starting in September 2020, designed to support an emerging researcher to investigate the ways in which performing arts might contribute to health and wellbeing. After a competitive application process, the studentship was awarded to a theatre maker proposing to explore the ways in which theatre performance might reflect the lived experiences of women taking synthetic hormone treatment. In March 2021, this work culminated in the performance, *First Bite*, at the Barbican Pit theatre.

The Songs of Pedro Ximenez Abril y Tirado

Thanks to a gift made to the School it has been possible to complete a practice-based research project to provide the first professional recordings of a set of songs by the Bolivian composer Pedro Ximenez Abril y Tirado (1785–1856), known as *The Mozart of the Andes*.

"This generous donation allowed a really exciting and timely project to move forward without missing a step during the height of the pandemic at a time when so much performance activity was impossible. We are now looking forward to showcasing these small masterpieces and providing a lasting resource which should inspire singers and their accompanists to diversify their repertoire with new non-European material of the highest quality."

Project co-ordinator and Research Professor, Professor John Sloboda OBE





Jazz singers & Jazz bands Milton Court, Oct 2020 © Guildhall School / Paul Cochrane



Apothecary, summer 2021 © Guildhall School / Mihaela Bodlovic

Future Plans

The Trust will look to support the School's ambitious fundraising goals as we move into a comprehensive campaign to raise £50m in the coming decade. The priorities include:

- Attracting the world's best students by substantially increasing scholarship funding;
- Sustaining the balance of the internationally diverse community of the School by increasing scholarship funding for international students, including those from EU countries;
- Becoming an inclusive, pro-equality institution in keeping with its reputation as one of the most modern, relevant and socially impactful conservatoires in the world;
- Supporting underrepresented and marginalized groups wishing to pursue the School's training, embracing its dedication to equality of opportunity;
- Investing in the Research Department's new Institute for Social Impact Research in the Performing Arts where research will inform the School's Artist in Society learning agenda and contribute to an evolving shift in teaching culture;
- Creating new opportunities for audience and participant engagement online through the provision of equipment and training necessary for expansion.

This campaign will build on the School's position and ranking as one of the best conservatoire training providers in the world, contributing to the cultural fabric of society, to wellbeing, the creative economy, to cultural heritage and civilisation. Together we seek to meet the financial goal to raise £50m by 2030, marking the School's 150th anniversary celebration.



Opera Scenes, July 2021 © Guildhall School / Matthew Ferguson (FG Studios)

The Guildhall School Trust

Financial Review

Grant-giving Support Provided to the School

During the year, the Trust gave a grant of £1,740,000 (2020: £1,837,527) to the School for scholarship support, representing over 83% of all Scholarship funds awarded by the School during the year.

In addition, the Trust also gave grants totalling £168,591 (2020: £202,983) towards a variety of projects and initiatives at the School, including artistic, outreach and Creative Learning projects.

Financial Management

Total income for the year amounted to £1,945,559 (2020: £1,551,348). Of this, £1,589,235 (2020: £1,140,523) was donations and legacies and £356,324 (2020: £410,826) was investment income. The Trust did not receive income from events in either year, as it was not possible to hold any planned events due to the COVID-19 pandemic.

Set off against this income was £2,000,060 (2020: £2,153,241) of expenditure – £12,527 (2020: £34,470) related to the cost of raising funds and £1,987,533 (2020: £2,118,771) related to charitable activities, including grants to the Guildhall School and associated support costs.

Once expenditure is deducted from income, the charity shows a planned use of reserves of £54,501 (2020: £601,892). Gains of £1,150,975 (2020: losses of £446,692) on listed investments led to an overall increase in funds of £1,096,474 (2020: decrease of £1,048,584).

Endowments and Investments

Since 2018 the Trust has been conducting a review of its endowments and investments to verify the correct status and purpose of a number of funds. This project has been through a number of phases with the final stage of the review taking place in the summer of 2021. A number of funds were successfully referred to the Charity Commission and approval was granted in July 2021.

Investment Management

The assets of the Trust continue to be managed by Sarasin and Cazenove Capital, and the Board are satisfied that the current Manager selection is able to meet the Trusts long-term investment objective of CPI plus 4%. The decision to change strategy at Cazenove cut costs and underwrote the Trusts desire to maintain income from the portfolio of 3–4%.

In May the Investment Sub-Committee met with both Investment Managers for the annual review. The performances of both Managers for the year was positive and is more or less in line with each other. At the time of the review it was confirmed that returns of both income and capital appreciation had been solid and administration was efficient. The diversification achieved through using two Managers with slightly different strategies in terms of asset allocation and execution continues to be reassuring in terms of reducing risk and maximizing available returns.

A focus for the committee this year was on the ESG credentials of both firms after questions from Trustees about how equality and diversity issues were taken into account as part of the investment process. Both Managers took time to set out their approach. It was clear that, while there were differences in the way each of them went about their ESG profiling it was detailed and thorough and satisfied the committee that the Trusts and Schools ESG priorities were properly reflected in the investment process of both Managers. The Trust will update its Investment Policy in the light of the 2021 United Nations Climate Change Conference (COP26) during the first half of the new financial year.

The impact of the COVID-19 pandemic has undoubtedly had an effect on the performance of the Trust's investments. The Sub-Committee has remained in close contact with both Managers, to monitor the impact of the pandemic on income.

The Guildhall School Trust

Treasury Management

The policy of the Trustees is to:

1. Ensure sufficient liquidity to meet the Trust's funding requirements in both the short and long term
2. Provide effective management of surplus cash funds
3. Provide a robust and responsive risk management framework
4. Oversee and maintain effective banking arrangements, including banking relationships
5. Avoid directly investing funds in areas that would conflict with the Trust's core aims, objectives and values

The Group Accountant conducted a review of internal financial controls during the year, with a draft paper shared with the Board for approval in autumn 2021. This is part of monitoring and controlling treasury management risk, which continues throughout the year and is reported to the Board accordingly.

Reserves Policy

The policy of the Trustees is to maintain a level of reserves as follows:

1. Endowment reserves at a level at least equal to the capital values as they were when originally donated by donors;
2. Restricted reserves at the level of the uncommitted balance according to the donors' restrictions; and
3. unrestricted reserves to support three objectives:
 - i. To provide sufficient funds to cover the operating costs (specifically the support costs and investment management fees) that the Trust would expect to incur over a period of six months. This equates to approximately £45,000 – £50,000.
 - ii. To provide sufficient funds to cover the anticipated annual Scholarship grant to the School for the following year, to the extent that it is to be financed from unrestricted funds. This figure can vary from year to year but based on current projections equates to approximately £130,000.
 - iii. To provide a further contingency against the possibility of poor investment performance or reduced fundraising, to provide for 50% of the anticipated annual grant of unrestricted funds for the following year, equating to approximately £300,000.

Taken together, this amounts to a target level for unrestricted reserves of £480,000. As at 31 July 2021, the Trust held unrestricted reserves of £661,550. The Trust will continue to monitor this level of reserves to ensure that funds are not held for longer than required.

As at 31 July 2021 the Trust held endowment reserves of £10,376,222 and restricted reserves of £1,476,070. As with the unrestricted reserves, it is the intention of trustees to reduce the level of restricted reserves by making additional grants to the School in accordance with restrictions placed on the funds by donors.

The Guildhall School Trust

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Guildhall School Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- the Trustee has taken all the steps necessary to be aware of any relevant audit information and to establish that the Trust's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

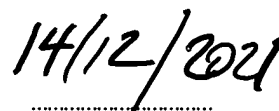
Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board of Trustees:



Deborah Lincoln
Chair



Date

The Guildhall School Trust
Silk Street, Barbican, London, EC2Y 8DT

Registered Company Number 04041975
Registered Charity Number 1082472

The Guildhall School Trust

Independent auditor's report to the members of The Guildhall School Trust

Opinion

We have audited the financial statements of The Guildhall School Trust (the 'charitable company') for the year ended 31 July 2021 which comprise the statement of financial activities, the balance sheet, and statement of cash flows and the notes to the financial statements, including the principal 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 charitable company's affairs as at 31 July 2021 and of 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 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 charitable company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report and financial statements. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Guildhall School Trust

Opinions 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 trustees' report, which is also the directors' report for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the trustees' report, which is also the directors' report for the purposes of company law has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. 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 trustees' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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 trustees 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 trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

To address the risk of fraud through management bias and override of controls, we:

- ♦ Performed Analytical procedures to identify any unusual or unexpected relationships;
- ♦ Tested and reviewed journal entries to identify unusual transactions;
- ♦ Tested authorisation of expenditure;
- ♦ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ♦ Investigated rationale behind significant or unusual transactions.

The Guildhall School Trust

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included but were not limited to:

- ◆ Ensuring that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ Identifying the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ Ensuring that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ Focusing on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to fundraising regulations, the General Data Protection Regulation, relevant financial reporting standards, the Charities Act 2011 and the Companies Act 2006;
- ◆ Agreeing financial statements disclosures to underlying supporting documentation;
- ◆ Reading the minutes of trustee meetings; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 16 December 2021

The Guildhall School Trust

Statement of Financial Activities

AS AT 31st July 2021

Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total Funds Jul 2021 £	Unrestricted funds £	Restricted funds £	Endowment funds £	Total Funds July 2020 £
Income and Endowments from:								
<i>Donations and Legacies</i>								
Grants and Donations for Scholarships	-	838,260	-	838,260	-	707,990	-	707,990
Other Grants and Donations	100,711	169,950	-	270,661	91,730	170,050	17,371	279,151
Prizes	-	15,150	-	15,150	-	2,500	-	2,500
Bequests and Endowed gifts	-	-	410,199	410,199	20,000	-	45,000	65,000
Membership	3,653	-	-	3,653	35,576	-	-	35,576
Donated Services	51,312	-	-	51,312	50,306	-	-	50,306
<i>Investment Income</i>	10,351	33,242	312,731	356,324	55,911	30,451	324,464	410,826
Total income	166,027	1,056,602	722,930	1,945,559	253,523	910,991	386,835	1,551,349
Resources expended								
<i>Expenditure on raising funds</i>								
Investment Management Fees	-	-	12,527	12,527	2,475	3,208	28,787	34,470
<i>Expenditure on Charitable Activities</i>								
Scholarship grants to Guildhall	611,109	870,554	258,337	1,740,000	683,578	813,949	340,000	1,837,527
Grants for Non Scholarship Activity	14,288	139,447	10,456	164,191	45,543	154,940	-	200,483
Prizes	-	4,400	-	4,400	-	2,500	-	2,500
Support Costs	78,942	-	-	78,942	78,261	-	-	78,261
Total resources expended	704,339	1,014,401	281,320	2,000,060	809,857	974,597	368,787	2,153,241
Net (expenditure) / income	(538,312)	42,201	441,610	(54,501)	(556,334)	(63,606)	18,048	(601,892)
Transfers between funds	-	410,743	(410,743)	-				
Adjustment for gains / (losses) on Investments	32,516	111,675	1,006,784	1,150,975	(43,857)	(41,569)	(361,266)	(446,692)
Net Movement In Funds	(505,796)	564,619	1,037,651	1,096,474	(600,191)	(105,175)	(343,218)	(1,048,584)
Balance brought forward	1,167,306	911,451	9,338,571	11,417,328	1,767,497	1,016,626	9,681,789	12,465,912
Balance carried forward	661,510	1,476,070	10,376,222	12,513,802	1,167,306	911,451	9,338,571	11,417,328

All income and expenditure in the above two financial periods was derived from continuing operations. There were no recognised gains and losses other than those included above. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The Guildhall School Trust

Balance Sheet as at 31 July 2021

		31st July 2021	31st July 2020
		£	£
FIXED ASSETS:			
Investments	6	11,565,355	10,414,380
Endowment Bank account		731,043	823,175
Total Fixed Assets		<u>12,296,398</u>	<u>11,237,555</u>
CURRENT ASSETS:			
Debtors and prepayments	8	48,808	41,367
Cash at bank and in hand		509,168	499,126
Total Current assets		<u>557,976</u>	<u>540,493</u>
CURRENT LIABILITIES:			
Creditors: Amounts falling due within one year	9	(340,572)	(360,720)
NET CURRENT ASSETS		<u>217,404</u>	<u>179,773</u>
NET ASSETS		<u>12,513,802</u>	<u>11,417,328</u>
THE FUNDS OF THE CHARITY			
CAPITAL FUNDS			
Endowments	10,11	10,376,222	9,338,571
INCOME FUNDS			
Restricted Funds	10,11	1,476,070	911,451
UNRESTRICTED FUNDS			
General Funds	10,11	661,510	1,167,306
		<u>12,513,802</u>	<u>11,417,328</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 27 to 34 form part of these financial statements

Approved by the Board of Trustees of the Guildhall School Trust, Company Registration number 04041975 (England and Wales) and authorised for issue on 14 December 2021 and signed on its behalf by



Deborah Lincoln, Chair

The Guildhall School Trust

Statement of Cash Flows

For the year ended 31 July 2021

	Notes	Jul 2021 £	Jul 2020 £
Cash outflow from Operating Activities:			
Net cash used in operating activities	A	(451,778)	(170,219)
Cash inflow from investing activities:			
Dividends and interest from investments		374,604	402,849
Proceeds from disposals		552,942	5,807,430
Purchase of investments		(572,452)	(5,795,184)
Net Cash provided by investing activities		<u>355,094</u>	<u>415,095</u>
Change in cash and cash equivalents in year		(96,684)	244,876
Cash and cash equivalents at 1st August 2020	B	1,495,217	1,250,341
Cash and cash equivalents at 31st July 2021	B	<u>1,398,533</u>	<u>1,495,217</u>

Notes to cash flow statement for the year to 31st July 2021

A) Reconciliation of net movement in funds to net cash flow from operating activities

	Jul 2021 £	Jul 2020 £
Net movement in funds (as per the statement of activities)	1,096,474	(1,048,584)
(Gains) / Losses on investments	(1,150,975)	446,692
Distributions from Investments	(369,688)	(320,378)
(Increase) / Decrease in debtors	(7,441)	632,013
(Decrease) / Increase in creditors	(20,148)	120,038
Net Cash used in operating activities	<u>(451,778)</u>	<u>(170,219)</u>

B) Analysis of cash and cash equivalents

Cash at Hand and in Bank	509,168	499,126
Cash held in endowment bank account	731,043	823,175
Cash held by Investment Managers	158,322	172,916
Total cash and cash equivalents	<u>1,398,533</u>	<u>1,495,217</u>

The Guildhall School Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 July 2021

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared for the year to 31 July 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments
- estimating the value of the gift in kind from the City of London for administrative support

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Coronavirus pandemic that swept the globe last year and for much of the current year has affected many organisations in terms of their ability to continue operating normally. While the impact of the virus undoubtedly had an effect of the performance of the Trust's investments in the year to 2020, these have now largely recovered, and the evidence to date shows that the impact on the Trust's ability to fundraise and to fund its charitable operations has been minor.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 July 2022, the most significant areas that could affect the carrying value of the assets held by the Trust are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information). At the time of writing we do not consider either area to pose a significant risk.

The Guildhall School Trust

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and legacies, investment income and other income from fundraising events.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from fundraising events is usually recognised in the period the event takes place.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings dependent on the nature of the expenditure and the restriction that may apply to it according to the express wishes of the original donor. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, the costs of hosting fundraising events, promotional expenditure, and an allocation of support costs.

The Guildhall School Trust

- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants, donations, scholarships and prizes, as well as an allocation of support costs including governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

Fixed asset investments

Listed 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 Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable

The Guildhall School Trust

purpose that falls within the charity's charitable objects.

2. REMUNERATION AND REIMBURSED EXPENSES OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The Trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis.

None of the Trustees received any reimbursed expenses or remuneration for their services during the year (2020: None).

3. STAFF COSTS

There were no employees or staff costs in the year (2019: None). Any reference to staff costs in the notes refers to recharged staff costs from Guildhall School of Music & Drama which are treated as a gift in kind within these financial statements.

4. BEQUESTS AND ENDOWED GIFTS

	<u>31 July 2021</u>	<u>31 July 2020</u>
	£	£
Permanent Endowment:		
Sally Michael Cohen	-	45,000
Berthe Wallis Scholarship	56,848	-
	-	-
Others under £10,000 *	3,235	-
	60,083	45,000
Expendable Endowment:		
Jane Ades Ingenuity Scholarship	57,300	
Eleanor Van Zandt	29,280	
Harry Rabinowitz Memorial Scholarship	20,460	-
Margaret Easton Scholarship	200,000	
Ariadne Van de Ven	43,076	-
	350,116	-
Unrestricted Funds:		
George Law	-	20,000
	-	20,000
Total Gifts & Bequests	410,199	65,000

* endowment gifts of under £10,000 reflect top-up gifts to existing endowment funds

The Guildhall School Trust

5. ANALYSIS OF EXPENDITURE

	Other £	Donated Service £	31 July 2021 £	31 July 2020 £
Expenditure on Raising Funds				
Fundraising & Events	-	-	-	-
Investment Management Fees	12,527	-	12,527	34,470
	12,527	-	12,527	34,470
Charitable activities				
Scholarship Grant to Guildhall School	1,740,000	-	1,740,000	1,837,527
Grants for Non Scholarship Activity	153,735	-	153,735	200,483
Prizes	4,400	-	4,400	2,500
Support Costs	38,086	51,312	89,398	78,261
	1,936,221	51,312	1,987,533	2,118,771
Total Expenditure	1,948,748	51,312	2,000,060	2,153,241
Support Costs can be further analysed as:				
Audit Fees	11,440	-	11,440	11,440
Other Costs	25,596	-	25,596	16,370
Staff costs and other Related Costs	1,050	51,312	52,362	50,451
	38,086	51,312	89,398	78,261

6. LISTED INVESTMENTS

	31 July 2021 £	31 July 2020 £
Investments at start of year	10,414,380	10,861,072
Interest & Dividends	374,604	402,849
Acquisitions	572,452	5,795,184
Disposals	(552,942)	(5,807,430)
Gains / (Losses) on disposal	(10,948)	(491,467)
Unrealised gains/(losses)	1,121,181	62,027
Distributions	(340,845)	(373,386)
Management Charges	(12,527)	(34,469)
Investments held	11,565,355	10,414,380
Cash Deposits	731,043	823,175
	12,296,398	11,237,555
Historic Cost at 31 July	9,982,220	9,948,973

At the Balance Sheet date, funds totalling £6,393,278 (2020: £5,741,107) were invested in the Sarasin Endowments Fund Class A Income Fund. The remaining £5,172,077 (2020: £4,673,273) was invested in the Cazenove Charify Multi-Asset Fund. A further £731,043 (2020: £823,175) was held in a deposit account with the Trust's Bankers Barclays Bank PLC.

Included within the holding at Sarasin is £269,811 (2020: £244,476) representing the value of the PG Smith Fund.

The Guildhall School Trust

7. DEBTORS AND PREPAYMENTS

	<u>31 July 2021</u>	<u>31 July 2020</u>
	£	£
Gift Aid & Other Debtors	48,808	30,867
Funds Held by City of London	-	10,500
Legacy bequest	-	-
	<u>48,808</u>	<u>41,367</u>

8. CREDITORS: Amounts falling due within one year

	<u>31 July 2021</u>	<u>31 July 2020</u>
	£	£
Amounts due to GSMD	-	70,009
Other Accruals	11,440	22,130
Bursary Grant Creditors	3,500	14,000
Deferred income	<u>325,632</u>	<u>254,581</u>
	<u>340,572</u>	<u>360,720</u>

9. FUNDS

	Permanent Restricted Endowments	Permanent Unrestricted Endowments	Expendable Endowments	Subtotal Endowments	Unrestricted Funds	Restricted Funds - Scholarships	Restricted Funds - Prizes	Total Funds
At 1 August 2019	8,022,779	1,059,010	600,000	9,681,789	1,767,497	1,001,928	14,698	12,465,912
Income	316,369	66,847	3,619	386,835	253,523	908,491	2,500	1,551,349
Expenditure	(368,787)	-	-	(368,787)	(809,857)	(972,097)	(2,500)	(2,153,241)
Gains / (Losses) on Investments	(334,168)	(23,048)	(4,050)	(361,266)	(43,857)	(41,548)	(21)	(446,692)
At 31 July 2020	<u>7,636,193</u>	<u>1,102,809</u>	<u>599,569</u>	<u>9,338,571</u>	<u>1,167,306</u>	<u>896,774</u>	<u>14,677</u>	<u>11,417,328</u>
Income	409,943	37,130	275,857	722,930	166,027	1,041,452	15,150	1,945,559
Expenditure	(225,633)	(37,130)	(18,557)	(281,320)	(704,339)	(1,010,001)	(4,400)	(2,000,060)
Gains / (Losses) on Investments	819,708	124,736	62,340	1,006,784	32,516	109,758	1,917	1,150,975
Transfers	(410,743)	-	-	(410,743)	-	311,988	98,755	-
At 31 July 2021	<u>8,229,468</u>	<u>1,227,545</u>	<u>919,209</u>	<u>10,376,222</u>	<u>661,510</u>	<u>1,349,971</u>	<u>126,099</u>	<u>12,513,802</u>

- Permanent endowment funds comprise legacies and other gifts for which the charity cannot spend the capital and can be restricted to use for specific purposes or unrestricted for use at the discretion of Trustees.
- Expendable endowment funds are funds where the donor has expressed a wish that the funds be held for the long-term use of the Trust, but the donor has not made a specific requirement to retain the capital.
- Restricted funds represent funds that have been donated for a specific purpose imposed by the donor and are available for distribution in accordance with the restriction subject to agreement of the Trustees.
- Scholarship funds are restricted to be used in the aid of paying tuition fees or maintenance of students at Guildhall School of Music & Drama.
- Prize funds are used for specific awards to students for excellence in a specific area.
- Transfers from permanent restricted endowments to restricted funds represent the reclassification of funds following a formal request to the Charity Commission to amend the categorisation of several funds where the nature of the restriction was preventing their use in a meaningful way.

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The following funds each accounted for more than 5% of the total value of permanent endowments:

	Barbara Stringer Scholarship Fund £	Derek Butler Trust Fund £
Opening Balance at 1 August 2020	672,244	567,012
Income	22,149	18,682
Investment gains	74,406	62,759
Dispersals	(22,149)	(18,682)
Closing Balance at 31 July 2021	<u>746,650</u>	<u>629,771</u>

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 31 July 2021 £
Fund balances at 31 Jul 2021 are represented by:				
Investments	412,609	1,554,663	10,329,126	12,296,398
Debtors	43,782	5,001	25	48,808
Cash	216,559	245,538	47,071	509,168
Current Liabilities	(11,440)	(329,132)	-	(340,572)
	<u>661,510</u>	<u>1,476,070</u>	<u>10,376,222</u>	<u>12,513,802</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 31 July 2020 £
Fund balances at 31 Jul 2020 are represented by:				
Investments	1,052,804	1,313,457	8,871,294	11,237,555
Debtors	25,245	16,122	-	41,367
Cash	100,697	(68,848)	467,277	499,126
Current Liabilities	(11,440)	(349,280)	-	(360,720)
	<u>1,167,306</u>	<u>911,451</u>	<u>9,338,571</u>	<u>11,417,328</u>

Total unrealised gains at 31 July 2021 constitute movements on revaluation of investment properties and listed investments are as follows:

	31 July 2021 £	31 July 2020 £
Unrealised gains at 1 August	465,407	827,857
Net gains / (losses) on revaluation arising in the year	1,150,975	(446,692)
Gains / (Losses) in respect to disposals in the year	<u>(33,247)</u>	<u>84,242</u>
Unrealised gains at 31 July	<u>1,583,135</u>	<u>465,407</u>

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11. RELATED PARTY TRANSACTIONS

David Graves is an elected member of the City of London Corporation. Lynne Williams was Principal of the School throughout the duration of the reporting period. Vivienne Littlechild served as Chair of the Governors of Guildhall School (Guildhall School students being the beneficiaries of the Trust's grants).

Grants paid by the Trust to the School's Scholarship fund amounted to £1,740,000 (2019: £1,837,527). Other restricted grants and prizes totalling £168,591 (2020: £202,983) were also paid to the School during the year.

The Trust works with the finance department of the Barbican Centre and Guildhall School as its accountants and benefits from promotional activity and fundraising support from the School. No charge has been made to the Trust for these services which have been recognised in income and expenditure as a gift in kind for donated services with a value of £51,312 (2020: £50,306).

12. DEFERRED INCOME

The Trust received donations totalling £325,632 (2020: £254,582) where use was specified for future years.

13. FUNDS HELD AS AGENT

The Trust acts as an agent in distributing sponsor led direct awards. As a result, payment of £10,000 (2020: £10,000) received on behalf of Guildhall School have been excluded from the Statement of Financial Activities as the charitable company does not have control over the application of the funds. Details of the sponsor led direct awards received during the year are as follows:

Donor	31 July 2021 £	31 July 2020 £
Arlene Beare	5,000	-
Celia Atkin	5,000	-
Hamish & Sophie Forsyth Charitable Trust	500	-
Independent Opera at Sadler's Wells	-	5,000
John Pelham	500	-
Sophie's Silver Lining Fund	2,500	2,500
	<u>13,500</u>	<u>7,500</u>

An amount of £3,500 (2020: £14,000) is included in creditors relating to undistributed funds at the year end.