

Company Registration No. 00109150 (England and Wales)

**THE GUILD OF FREEMEN OF THE CITY OF
LONDON**

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2007

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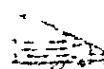
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THE GUILD OF FREEMEN OF THE CITY OF LONDON

(A COMPANY LIMITED BY GUARANTEE)

COMPANY INFORMATION

The Board of Directors of the company are members of The Court of Assistants which comprises 22 life members of the Guild and 11 members who are elected triennially

The Court of Assistants

Master

Mr Gordon M Gentry, Bsc FRSA FSA (Scot)

Senior Warden

Mr Francis J Bergin, BA FCIS FSCA

Renter Warden

Mr Peter Lewis - Crown, OBE FInstD

Junior Warden

Mr Anthony JK Woodhead, CBE FCA

Under Warden

Dr Brian J Ridgewell, BSc PhD FIM

Past Masters

Mr Harold Gould, OBE JP DL BA FCA

Sir Anthony Grant

Mr David J Eldridge

Mr Clifford J Newbold, DiplArch FRIBA FCIArb

Dr John Breen, MRCPG DRCOG DFFP

Mr Rex S Johnson, FRIBA DiplArch FCIArb

Mr Derek L Kemp, CC

Mr Terry Nemko, JP FCA

Mr Joseph CFB Byllam-Barnes, FCIB FFA FRSA

Mr David MB Irving, FIH

The Lady Moorea Black, MBE JP

Mr Raymond G Holl, MBE CEng MIEE MCMI

Mr Richard D Agutter, JP FCA

Mr Leslie V Lewis, FIMF

Mrs Barbara P Newman, CBE CC

Assistants

Deputy Pauline Halliday

Mr J Don Lunn, FInstT FInstD

Dr Joseph L Herzberg, Bsc MBBS MPhil

Mrs Anne E Holden

Mr Anthony B Fleming

Dr John A Smail, JP BDS (Hons) LDS RCS

Mr Roger K Mallindine

Lady Cooksey, OBE DL

Master Nicolas W Bragge, LLB

Mr Peter R Allcard

His Honour Judge Sir Gavyn Arthur

Mr John L Barber, MRICS FASl FGIS

Dr Peter M Cannon, BMBCh MRCPG FRCS

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Honorary Assistants	H Wimburn S Horlock Esq, MA General Sir Peter Whiteley, GCB OBE DL Sir Clifford Chetwood, Hon FICE FCIOB HonFCGI Sir Clive H Martin, OBE TD DL Vice Admiral Sir Peter Buchanan, KBE
Secretary	Brigadier Michael Keun
Company number	00109150
Registered office	4 Dowgate Hill London EC4R 2SH
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Income and expenditure account	4
Balance sheet	5
Notes to the accounts	6 - 10

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2007

The directors present their report and accounts for the year ended 31 July 2007

Principal activities

The object of the Guild is to bring together Freemen of the City of London for the purpose of Charity, Benevolence, Education and Social Activities

Directors

The directors had no beneficial interests in the Guild

Charitable contributions

During the year the company made charitable donations of £250 (2006 £250)

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information

Auditors

H W Fisher & Company were appointed auditors to the company and a resolution proposing that they be reappointed will be put to the members at the next Annual General Meeting

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the Board



Brigadier Michael Keun

Secretary

Dated 23rd January 2008

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these accounts, the directors are required to

- * select suitable accounting policies and then apply them consistently,
- * make judgements and estimates that are reasonable and prudent,
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS**

We have audited the accounts of The Guild of Freeman of the City of London for the year ended 31 July 2007 set out on pages 4 to 10. These accounts have been prepared under the accounting policies set out on page 6.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are as described on page 2.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the accounts.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- * the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2007 and of the profit for the year then ended,
- * the accounts have been properly prepared in accordance with the Companies Act 1985, and
- * the information given in the Directors' Report is consistent with the accounts.

H W Fisher & Company

H W Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated

14 February 2008

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2007

		2007	2006
	Notes	£	£
Turnover	2	128,340	119,486
Administrative expenses		(138,383)	(138,549)
Operating deficit	3	(10,043)	(19,063)
Other income	5	26,819	23,644
Surplus/(Deficit) on ordinary activities before taxation		16,776	4,581
Tax on surplus on ordinary activities	6	(2,334)	(1,816)
Surplus/(Deficit) on ordinary activities after taxation		14,442	2,765
Retained surplus brought forward		152,046	149,169
Transfers (to)/from other reserves	12	(15,302)	112
Retained surplus carried forward		151,186	152,046

The income and expenditure account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the income and expenditure account

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 JULY 2007

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		-		1,103
Investments	8		291,067		298,551
			<u>291,067</u>		<u>299,654</u>
Current assets					
Stocks	9	26,596		6,071	
Debtors	10	35,490		7,028	
Cash at bank and in hand		54,271		43,069	
		<u>116,357</u>		<u>56,168</u>	
Creditors amounts falling due within one year	11	<u>(83,532)</u>		<u>(57,314)</u>	
Net current assets/(liabilities)			<u>32,825</u>		<u>(1,146)</u>
Total assets less current liabilities			<u><u>323,892</u></u>		<u><u>298,508</u></u>
Capital and reserves					
Other reserves	12		172,706		146,462
Income and expenditure account			151,186		152,046
Members' funds	13		<u><u>323,892</u></u>		<u><u>298,508</u></u>

The accounts were approved by the Court of Assistants on **23rd January 2008**


 Mr Gordon M Gentry, BSc FRSA FSA(Scot)
 Director / Master

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2007

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention

1.2 Turnover

Turnover represents the invoiced value of goods sold and services provided net of VAT and subscription income recognised on the basis of entitlement

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	25% straight line
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1.4 Investments

Fixed asset investments are stated at cost less any provision for permanent diminution in value

1.5 Stock

Stock is stated at the lower of cost and net realisable value. Cost includes all direct costs incurred in bringing the stocks to their present location and condition

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom. Turnover includes subscriptions, fees, surplus on sale of merchandise and surplus from entertainments

3 Operating deficit	2007	2006
	£	£
Operating deficit is stated after charging		
Depreciation of owned tangible fixed assets	1,103	1,216
Auditors' remuneration	2,990	2,840
	<u>2,990</u>	<u>2,840</u>

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2007

4 Employees

Number of employees

The average monthly number of employees during the year was

	2007	2006
	Number	Number
Administrative - full time	1	1
Administrative - part time	2	2
	3	3

Employment costs

	£	£
Wages and salaries	75,545	73,163
Social security costs	7,634	7,460
	83,179	80,623

5 Other income

	2007	2006
	£	£
Surplus on disposal of investments	11,355	9,443
Interest receivable and similar income	15,464	14,201
	26,819	23,644

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2007

6	Tax on surplus on ordinary activities	2007 £	2007 £	2006 £	2006 £
	Current tax				
	<u>UK corporation tax</u>				
	Current tax on income for the period	1,218		1,816	
	Adjustments in respect of prior periods	1,116		-	
			2,334		1,816
	Factors affecting the tax charge for the year				
	Surplus on ordinary activities before taxation		16,776		4,581
	Surplus on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.33% (2006 19.00%)		3,243		870
	Adjustments to tax charge in respect of previous periods		(909)		-
	Dividends and distributions received		-		2,562
	Starting Rate Relief		-		(1,616)
	Current tax charge		2,334		1,816
7	Tangible fixed assets				
				Fixtures, fittings & equipment £	
	Cost				
	At 1 August 2006 and at 31 July 2007				7,416
	Depreciation				
	At 1 August 2006				6,313
	Charge for the year				1,103
	At 31 July 2007				7,416
	Net book value				
	At 31 July 2007				-
	At 31 July 2006				1,103
	Silver and other valuables owned by the Guild, with an insured value of £185,242 are not included as assets in these financial statements				

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2007

8 Fixed asset investments

	Listed investments £
Cost	
At 1 August 2006	298,551
Additions	43,486
Disposals	(50,970)
	<u>291,067</u>
At 31 July 2007	<u>291,067</u>
At 31 July 2006	<u>298,551</u>

At 31 July 2007 the market value of investments was £409,085 (2006 £401,627)

9 Stocks	2007 £	2006 £
Finished goods and goods for resale	<u>26,596</u>	<u>6,071</u>

10 Debtors	2007 £	2006 £
Other debtors	2,748	-
Prepayments and accrued income	32,742	7,028
	<u>35,490</u>	<u>7,028</u>

11 Creditors amounts falling due within one year	2007 £	2006 £
Corporation tax	1,218	811
Other taxes and social security costs	-	2,702
Other creditors	8,063	86
Accruals and deferred income	74,251	53,715
	<u>83,532</u>	<u>57,314</u>

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2007

12 Statement of movements on reserves

	Entertainment reserve	Life subscription reserve	Centenary reserve	Total
	£	£	£	£
Balance at 1 August 2006	22,741	113,721	10,000	146,462
Income taken directly to reserves	-	16,136	-	16,136
Transfer from income and expenditure account	302	-	15,000	15,302
Transfer to income	-	(5,194)	-	(5,194)
Balance at 31 July 2007	23,043	124,663	25,000	172,706

13 Reconciliation of movements in members' funds

	2007 £	2006 £
Surplus for the financial year	14,442	2,765
Transfer from other reserves to income and expenditure account	(5,194)	(4,738)
Income taken directly to reserves	16,136	13,948
Net addition to members' funds	25,384	11,975
Opening members' funds	298,508	286,533
Closing members' funds	323,892	298,508

14 Limited by guarantee

All members have a guarantee limited to £1 on the winding up of the Guild

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2007

	2007	2006
£	£	£
Turnover		
Subscriptions	102,495	97,135
Transfer from Life subscription reserve	5,194	4,738
Entrance fees	10,213	9,022
Deficit/(Surplus) on entertainment	302	(112)
Surplus on merchandise	3,450	1,379
Advertising income	6,686	7,324
	<u>128,340</u>	<u>119,486</u>
Administrative expenses		
Wages and salaries	83,179	80,623
Rent	6,540	6,060
Insurance	3,673	3,614
Postage and stationery	8,348	8,107
Publication of "The Freeman"	8,384	9,109
Telephone, fax and website	2,992	3,017
Professional fees	7,083	8,399
Court Meetings	9,380	9,085
Bank charges	353	360
Travel and sundry expenses	2,827	852
Donations	250	250
AGM and Annual Report and accounts	2,905	1,526
Presentations	1,386	1,959
Audit and accountancy	5,750	5,440
Recovered from entertainment fund	(18,174)	(19,216)
Freedom sponsorship	-	638
Regalia	12,404	510
Taxation costs	-	17,000
Depreciation of tangible assets	1,103	1,216
	<u>(138,383)</u>	<u>(138,549)</u>
Operating loss	(10,043)	(19,063)
Other income		
Profit on disposal of fixed assets	11,355	9,443
Interest on investment portfolio	13,463	13,133
Interest receivable	2,001	1,068
	<u>26,819</u>	<u>23,644</u>
Profit before taxation	16,776	4,581