

Registered number: 00109150

The Guild of Freemen of the City of London

Unaudited

Directors' Report and Financial Statements

For the Year Ended 31 July 2018



The Guild of Freemen of the City of London

Company Information

The Court of Assistants, excluding the Past Masters Emeritus and Guild Assistants below, are directors of the company.

The Court

Directors

00109150

Mr John Barber, DL
Mrs Elizabeth Thornborough (resigned 11/09/18)
Mr Neil Redcliffe, JP
Alderman John Garbutt, JP
Mrs Ann-Marie Jefferys

Past Masters

Mr Terry Nemko, JP
Mrs Anne Holden
Dr John Smail, JP
Lady Cooksey, OBE DL
Alderman Sir David Wootton
Mr Peter Allcard

Court Assistants

Mr David Wilson (resigned 14/01/19)
Mr Christopher Walton
Councillor Lisa Rutter
Mr Adrian Waddingham, CBE
Councillor Christopher Hayward, CC
Ms Dorothy Saul-Pooley
Alderman Timothy Hailes, JP
Mr Stephen Osborne
Dorothy Newlands of Lauriston (from 24 January 2018)
Mr Keith Bottomley CC (from 24 January 2018)

Non Directors

Honorary Centenary Master HRH The Princess Royal

Past Masters Emeritus

Mr Harold Gould, OBE JP DL
Dr John Breen (retired 01/08/18)
Mr Rex Johnson
Sir Clive Martin, OBE TD DL (retired 01/08/18)
Mr Joseph Byllam-Barnes (retired 01/08/18)
Mr David Irving (retired 01/08/18)
Mr Richard Agutter, JP (retired 01/08/18)
Mrs Barbara Newman, CBE CC
Mr Gordon Gentry
Mrs Pauline Halliday, OBE (retired 01/08/18)
Mr Anthony Woodhead, CBE
Mr Don Lunn

Guild Assistants

Mr Peter Lewis-Crown, OBE
Professor Joseph Herzberg

The Guild of Freemen of the City of London

Registered Number 00109150

Registered Office 4 Dowgate Hill
London EC4R 2SH

Reporting Accountant Kreston Reeves LLP,
Chartered Accountants, Third Floor
London
24 Chiswell Street
EC1Y 4YX

The Guild of Freemen of the City of London

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The Guild of Freemen of the City of London

Directors' Report For the Year Ended 31 July 2018

The Directors present their report and the financial statements for the year ended 31 July 2018.

Principal activity

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.

Qualifying third party indemnity provisions

The Guild maintains Directors' liability insurance. The Directors of the Company benefit from a qualifying third party indemnity provision.

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Directors

The Directors that served during the year are disclosed in the company information.

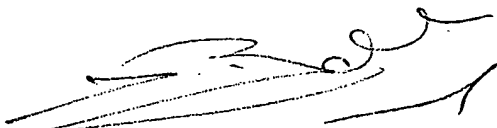
The Guild of Freemen of the City of London

**Directors' Report (continued)
For the Year Ended 31 July 2018**

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on **23rd January 2019** and signed on its behalf.

A handwritten signature in black ink, appearing to read 'John Barber', written over a horizontal line.

Mr John Barber
Master

The Guild of Freemen of the City of London

Chartered Accountants' Report to the Board of Directors on the preparation of the Unaudited Statutory Financial Statements of The Guild of Freemen of the City of London for the Year Ended 31 July 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of The Guild of Freemen of the City of London for the year ended 31 July 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the Board of Directors of The Guild of Freemen of the City of London, as a body, in accordance with the terms of our engagement letter dated 30 August 2017. Our work has been undertaken solely to prepare for your approval the financial statements of The Guild of Freemen of the City of London and state these matters that we have agreed to state to the Board of Directors of The Guild of Freemen of the City of London, as a body, in this report in accordance with Audit & Assurance Faculty technical release AAF 2/10 as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Guild of Freemen of the City of London and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that The Guild of Freemen of the City of London has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit or loss of The Guild of Freemen of the City of London. You consider that The Guild of Freemen of the City of London is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of The Guild of Freemen of the City of London. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Kreston Reeves LLP

Kreston Reeves LLP

Chartered Accountants
Third Floor
24 Chiswell Street
London
EC1Y 4YX

Date: *23rd January 2019.*

The Guild of Freemen of the City of London

Statement of Comprehensive Income For the Year Ended 31 July 2018

	Note	2018 £	As restated 2017 £
Turnover	3	172,830	179,099
Gross profit		172,830	179,099
Administrative expenses		(208,438)	(210,678)
Operating loss		(35,608)	(31,579)
Income from fixed assets investments		29,009	14,025
Profit/(loss) on disposal of fixed asset investments		1,354	-
Interest receivable and similar income		212	341
Loss before tax		(5,033)	(17,213)
Tax on loss	5	(4,528)	(1,300)
Loss for the financial year		(9,561)	(18,513)
Other comprehensive income for the year			
Unrealised surplus on revaluation of tangible fixed assets		-	60,582
Movement on other reserves		-	754
Other comprehensive income for the year		-	61,336
Total comprehensive income for the year		(9,561)	42,823

The notes on pages 7 to 12 form part of these financial statements.

The Guild of Freemen of the City of London
Registered number: 00109150

Balance Sheet
As at 31 July 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	6	-	839
Investments	7	493,414	488,486
		<u>493,414</u>	<u>489,325</u>
Current assets			
Stocks	8	25,692	25,591
Debtors: amounts falling due within one year	9	52,935	44,923
Cash at bank and in hand	10	43,149	95,340
		<u>121,776</u>	<u>165,854</u>
Creditors: amounts falling due within one year	11	(90,340)	(110,074)
Net current assets		<u>31,436</u>	<u>55,780</u>
Total assets less current liabilities		<u>524,850</u>	<u>545,105</u>
Net assets		<u><u>524,850</u></u>	<u><u>545,105</u></u>
Capital and reserves			
Revaluation reserve	13	128,962	159,533
Other reserves - Life Fund	13	182,062	192,756
Profit and loss account	13	213,826	192,816
		<u>524,850</u>	<u>545,105</u>

The Directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23rd January, 2019.


Mr John Barber, Master

The Guild of Freemen of the City of London

Statement of Changes in Equity For the Year Ended 31 July 2018

	Revaluation reserve £	Other reserves - Life Fund £	Profit and loss account £	Total equity £
At 1 August 2017	159,533	192,756	192,816	545,105
Comprehensive income for the year				
Loss for the year	-	-	(9,561)	(9,561)
Other reserves movement	-	(10,694)	-	(10,694)
Total comprehensive income for the year	-	(10,694)	(9,561)	(20,255)
Transfer to/from profit and loss account	(30,571)	-	30,571	-
Total transactions with owners	(30,571)	-	30,571	-
At 31 July 2018	128,962	182,062	213,826	524,850

The notes on pages 7 to 12 form part of these financial statements.

Statement of Changes in Equity For the Year Ended 31 July 2017

	Revaluation reserve £	Other reserves - Life Fund £	Profit and loss account £	Total equity £
At 1 August 2016	122,467	192,002	187,813	502,282
Comprehensive income for the year				
Loss for the year	-	-	(18,513)	(18,513)
Surplus on revaluation of fixed asset investments	60,582	-	-	60,582
Other reserves movement	-	754	-	754
Total comprehensive income for the year	60,582	754	(18,513)	42,823
Transfer to/from profit and loss account	(23,516)	-	23,516	-
Total transactions with owners	(23,516)	-	23,516	-
At 31 July 2017	159,533	192,756	192,816	545,105

The notes on pages 7 to 12 form part of these financial statements.

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

1. General information

The company is a private company limited by guarantee and incorporated in England and Wales. The address of its registered office is 4 Dowgate Hill, London, EC4R 2SH. The company trades from Rooms 78/79 65 London Wall, London EC2M 5TU

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Turnover

Turnover represents subscription income recognised on the basis of entitlement, surplus on the sale of merchandise during the year and the invoice value of services provided net of VAT.

2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 25% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Valuation of investments

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

2. Accounting policies (continued)

2.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. 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 to be incurred to completion and disposal.

2.7 Pensions

The company operates a defined contribution pension scheme for the benefit of one employee. Contributions payable are charged to the income and expenditure account in the year they are payable.

2.8 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

3. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	As restated 2017 £
Subscriptions	124,516	128,918
Life subscriptions	24,491	12,305
Surplus on merchandise	588	1,099
Joining fees	8,167	5,979
Advertising income	2,288	3,530
Entertainment fund surplus	12,780	27,268
	<u>172,830</u>	<u>179,099</u>

4. Employees

The average monthly number of employees, excluding directors, during the year was 2 (2017 - 3).

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

5. Taxation

	2018	2017
	£	£
Corporation tax		
Current tax on profits for the year	4,528	1,300
Taxation on profit on ordinary activities	4,528	1,300

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on taxable profits.

6. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 1 August 2017	11,503
At 31 July 2018	11,503
Depreciation	
At 1 August 2017	10,664
Charge for the year on owned assets	839
At 31 July 2018	11,503
Net book value	
At 31 July 2018	-
At 31 July 2017	839

Silver and other valuables owned by the Guild, with an insured value of £414,736 (2017: £414,736), are not included as assets in these financial statements.

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

7. Fixed asset investments

	Listed investments £	Cash with brokers £	Total £
Cost or valuation			
At 1 August 2017	485,908	2,578	488,486
Additions	165,363	-	165,363
Disposals	(188,872)	-	(188,872)
Revaluations	15,500	-	15,500
Cash movement	-	12,937	12,937
At 31 July 2018	477,899	15,515	493,414
Net book value			
At 31 July 2018	477,899	15,515	493,414
At 31 July 2017	485,908	2,578	488,486

The historical cost of the listed investments at 31 July 2018 was £348,952 (2017 - £326,375).

8. Stocks

	2018 £	2017 £
Goods for resale	25,692	25,591
	25,692	25,591

9. Debtors

	2018 £	2017 £
Other debtors	6,825	2,874
Prepayments and accrued income	46,110	42,049
	52,935	44,923

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

10. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	43,149	95,340
	<u>43,149</u>	<u>95,340</u>

11. Creditors: Amounts falling due within one year

	2018 £	2017 £
Corporation tax	4,500	1,300
Other taxation and social security	3,217	1,641
Other creditors	15,421	260
Accruals and deferred income	67,202	106,873
	<u>90,340</u>	<u>110,074</u>

12. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

13. Reserves

Revaluation reserve

This reserve records the movement in fair value of fixed asset investments.

Other reserves

This represents the Life subscription fund which accounts for subscription income taken directly to this reserve. Amounts are released annually to the profit and loss account so as to spread income over the anticipated membership period the individuals are contributing.

14. Prior year adjustment

During the year ended 31 July 2017, the court has identified transactions included in administrative expenditure totalling £17,185, which should have been included within income instead. A prior year adjustment has been included for this amount and the comparative figures for the period ended 31 July 2017 have been restated accordingly. The effect of the restatement hasn't changed the total comprehensive income for the year, nor has it changed the total reserves as at 31 July 2017.

The Guild of Freemen of the City of London

Notes to the Financial Statements For the Year Ended 31 July 2018

15. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,650 (2017 - £3,185). Contributions totalling £363 (2017 - £260) were payable to the fund at the balance sheet date and are included in creditors.

16. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

17. Related party transactions

The Guild provides administrative support to The Guild of Freemen of the City of London's Charity at no cost to the Charity.