

Company Registration No: 00109150 (England and Wales)



GUILD OF FREEMEN OF THE CITY OF LONDON
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2003



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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 Raymond G Holl, MBE CEng MIEE MCMI

Senior Warden

Alderman Richard D Agutter

Renter Warden

Mr Leslie V Lewis, FIMF

Junior Warden

Mr Allan C Chapman, DL MA FIMC

Under Warden

Mr Gordon M Gentry, BSc FRSA FSA (Scot)

Past Masters

Sir David Floyd Ewin, LVO OBE KStJ MA

(Died 11 November 2003)

Mr Harold Gould, OBE JP DL BA FCA

Sir Anthony Grant

Mr John E Harvey, CBE

(Resigned 9 October 2002)

Mr David J Eldridge

H Wimburn S Horlock Esq, MA

Mr Donald du Parc Braham

Mr Clifford J Newbold, DiplArch FRIBA FCI Arb

Dr John Breen, MRCP DRCOG DFFP

Mr Derek L Kemp, CC

Alderman Sir Clive H Martin, OBE TD DL

Mr Terry Nemko, JP FCA

Mr Joseph, CFB Byllam Barnes, FCIB FFA FRSA CC

Mr David Irving, FHCIMA

The Lady Moorea Black, MBE JP

Assistants

Mr Francis J Bergin, BA FCIS FSCA

Mr William T Charnock, FCIT

Mrs Paula Cullen

(Resigned 19 November 2003)

Rear Admiral Iain Henderson, CB CBE

(Resigned 23 April 2003)

Jeremy MB Gotch Esq, KStJ MA FCIT

(Resigned 8 October 2003)

Sir Neil Shields, MC

(Died 12 September 2002)

Mr Peter Lewis - Crown, OBE FInstD

Mr Anthony JK Woodhead, CBE FCA

Mr Kenneth J Fergusson, BSc (Eng) CEng FIMechE

Mrs Barbara P Newman, CBE CC

Deputy Pauline Halliday

Dr Brian J Ridgewell, BSc PhD FIM

(Appointed 22 January 2003)

Mr J Don Lunn, FInstT FInstD

(Appointed 22 January 2003)

Dr Joseph L Herzberg, BSc MBBS MPhil

(Appointed 23 April 2003)

Mr John A Clarke

(Appointed 8 October 2003)

Alderman Simon Walsh MA MCI Arb

(Appointed 19 November 2003)

Mrs Anne E Holden

(Appointed 19 November 2003)

Mr Anthony B Fleming

(Appointed 19 November 2003)

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

Honorary Assistants	Sir Peter Gadsen, GCB AC FREng General Sir Peter Whiteley, GCB OBE DL Mr Rex S Johnson, FRIBA DiplArch FCIArb Sir Clifford Chetwood, Hon FICE FCIOB HonFCGI 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 - 9

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JULY 2003

The directors present their report and accounts for the year ended 31 July 2003.

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.

Results and dividends

The surplus for the year after taxation amounted to £22,692 .

Directors and their interests

Between 1 August 2002 and 31 July 2003 the directors had no beneficial interests in the Guild.

Charitable contributions

During the year the company made charitable donations of £1,357 (2002 :£nil).

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.

On behalf of the Board



Brigadier Michael Keun

Secretary

Dated: 19 November 2003.

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

Company law requires the directors to prepare accounts for each financial year which 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 those 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 which 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 MEMBERS OF THE GUILD**

We have audited the accounts of The Guild of Freeman of the City of London for the year ended 31 July 2003 set out on pages 4 to 9. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 6.

This report is made solely to the Guild'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 Guild'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 Guild and the Guild'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

As described on page 2 the Guild's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the accounts, if the Guild 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 transactions with the Guild 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 United Kingdom Auditing Standards 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 Guild'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 of the state of the Guild's affairs as at 31 July 2003 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

H. W. Fisher & Co.
H.W. Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated:

12 February 2004

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 JULY 2003

		2003	2002
	Notes	£	Restated £
Turnover	2	99,478	96,850
Administrative expenses		(103,894)	(111,652)
Operating surplus/(deficit)	3	(4,416)	(14,802)
Other income	5	28,156	35,105
Surplus on ordinary activities before taxation		23,740	20,303
Tax on surplus on ordinary activities	6	(1,048)	(1,039)
Surplus on ordinary activities after taxation		22,692	19,264
Retained surplus brought forward		126,660	108,168
Transfers to other reserves	12	(8,065)	(772)
Retained surplus carried forward		141,287	126,660

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 2003

		2003		2002 Restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		508		345
Investments	8		268,433		258,124
			<u>268,941</u>		<u>258,469</u>
Current assets					
Stocks	9	8,368		13,261	
Debtors	10	9,766		14,571	
Cash at bank and in hand		60,756		20,153	
		<u>78,890</u>		<u>47,985</u>	
Creditors: amounts falling due within one year	11	(67,219)		(47,570)	
Net current assets			<u>11,671</u>		<u>415</u>
Total assets less current liabilities			<u>280,612</u>		<u>258,884</u>
Capital and reserves					
Other reserves	12		139,325		132,224
Income and expenditure account			141,287		126,660
Members' funds	13		<u>280,612</u>		<u>258,884</u>

The accounts were approved by the Court of Assistants on 19-11-03

R. Holl

Mr Raymond G Holl, MBE CEng MIEE MCMl
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 2003

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.

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 surplus/(deficit)	2003	2002
	£	£
Operating surplus/(deficit) is stated after charging:		
Depreciation of owned tangible fixed assets	287	1,075
Auditors' remuneration	4,300	-
	<u>4,587</u>	<u>1,075</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 2003

4 Employees

Number of employees

The average monthly number of employees during the year was:

	2003 Number	2002 Number
Administrative	<u>2</u>	<u>2</u>
Employment costs		
	£	£
Wages and salaries	58,217	59,361
Social security costs	<u>5,731</u>	<u>1,800</u>
	<u>63,948</u>	<u>61,161</u>

5 Other income

	2003 £	2002 £
Surplus on disposal of investments	12,075	23,205
Interest receivable and similar income	<u>16,081</u>	<u>11,900</u>
	<u>28,156</u>	<u>35,105</u>

6 Tax on surplus on ordinary activities

	2003 £	2003 £	2002 £	2002 £
Current tax				
UK corporation tax				
Current tax on income for the period	<u>1,048</u>		<u>1,039</u>	
		<u>1,048</u>		<u>1,039</u>
Factors affecting the tax charge for the year				
Surplus on ordinary activities before taxation		<u>23,740</u>		<u>20,303</u>
Surplus on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 10.00 % (2002 : 10.00 %)		2,374		2,030
Non taxable surplus net of taxable dividend income		<u>(1,326)</u>		<u>(991)</u>
Current tax charge		<u>1,048</u>		<u>1,039</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 2003

7 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 August 2002	2,554
Additions	450
	<hr/>
At 31 July 2003	3,004
	<hr/>
Depreciation	
At 1 August 2002	2,209
Charge for the year	287
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At 31 July 2003	2,496
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Net book value	
At 31 July 2003	508
	<hr/>
At 31 July 2002	345
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Silver and other valuables owned by the Guild, with an insured value of £164,385 are not included as assets in these financial statements.

8 Fixed asset investments

	Listed investments £
Cost	
At 1 August 2002	258,124
Additions	82,147
Disposals	(71,838)
	<hr/>
At 31 July 2003	268,433
	<hr/>
At 31 July 2002	258,124
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At 31 July 2003 the market value of investments was £294,265.

9 Stocks	2003	2002
	£	£
Finished goods and goods for resale	8,368	13,261
	<hr/>	<hr/>

THE GUILD OF FREEMEN OF THE CITY OF LONDON
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2003

10 Debtors	2003	2002
	£	£
Other debtors	6,772	11,721
Prepayments and accrued income	2,994	2,850
	<u>9,766</u>	<u>14,571</u>

11 Creditors: amounts falling due within one year	2003	2002
	£	£
Other creditors	10,296	7,081
Accruals and deferred income	56,923	40,489
	<u>67,219</u>	<u>47,570</u>

12 Statement of movements on reserves

	Entertainment reserve	Life subscription reserve	Centenary reserve	Total
	£	£	£	£
Balance at 1 August 2002	19,769	112,455	-	132,224
Income	-	3,682	-	3,682
Transfer from income and expenditure account	3,065	-	5,000	8,065
Transfer to income and expenditure account	-	(4,646)	-	(4,646)
Balance at 31 July 2003	<u>22,834</u>	<u>111,491</u>	<u>5,000</u>	<u>139,325</u>

13 Reconciliation of movements in members' funds	2003	2002
	£	£
Surplus for the financial year	22,692	19,264
Opening members' funds	258,884	239,620
Closing members' funds	<u>280,612</u>	<u>258,884</u>

14 Limited by guarantee

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