

Registered number: 00109150

The Guild of Freemen of the City of London

Unaudited

Directors' Report and Financial Statements

Information for filing with the registrar

For the year ended 31 December 2022

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 Period Ended 31 December 2022

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 December 2022 which comprise 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 <https://www.icaew.com/regulation>.

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 29 March 2022. 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 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
Chartered Accountants
London
22 June 2023

Balance Sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	6	486,814	538,128
		<u>486,814</u>	<u>538,128</u>
Current assets			
Stocks	8	15,361	7,771
Debtors: amounts falling due within one year	9	9,941	18,719
Cash at bank and in hand	10	117,182	43,390
		<u>142,484</u>	<u>69,880</u>
Creditors: amounts falling due within one year	11	(127,761)	(54,394)
Net current assets		<u>14,723</u>	<u>15,486</u>
Total assets less current liabilities		<u>501,537</u>	<u>553,614</u>
Net assets		<u><u>501,537</u></u>	<u><u>553,614</u></u>
Capital and reserves			
Revaluation reserve	13	24,837	51,598
Other reserves	13	178,035	169,136
Profit and loss account	13	298,665	332,880
		<u><u>501,537</u></u>	<u><u>553,614</u></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 the 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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 June 2023.

Christopher J Walton, Flod MBA BA
Master

Statement of Changes in Equity
For the year ended 31 December 2022

	Revaluation reserve £	Other reserves - Life Fund £	Profit and loss account £	Total equity £
At 1 January 2021	56,474	163,727	298,033	518,234
Comprehensive income for the year				
Profit for the year	-	-	29,971	29,971
Subscriptions from new Life Members	-	18,605	-	18,605
Release to the profit and loss account	-	(13,196)	-	(13,196)
Total comprehensive income for the year	-	5,409	29,971	35,380
Transfer to/from profit and loss account	(4,876)	-	4,876	-
Total transactions with owners	(4,876)	-	4,876	-
At 1 January 2022	51,598	169,136	332,880	553,614
Comprehensive income for the year				
Loss for the year	-	-	(60,976)	(60,976)
Subscriptions from new Life Members	-	21,142	-	21,142
Release to the profit and loss account	-	(12,243)	-	(12,243)
Total comprehensive income for the year	-	8,899	(60,976)	(52,077)
Transfer to/from profit and loss account	(26,761)	-	26,761	-
Total transactions with owners	(26,761)	-	26,761	-
At 31 December 2022	24,837	178,035	298,665	501,537

The notes on pages 4 to 9 form part of these financial statements.

Notes to the Financial Statements
For the year ended 31 December 2022

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 profit or loss.

2.4 Valuation of investments

Investments in listed company shares are remeasured to market value at each balance sheet. 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 profit or loss on a straight-line basis over the lease term.

Notes to the Financial Statements
For the year ended 31 December 2022

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 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 Pensions

The company operates a defined contribution pension scheme for the benefit of two employees.

Contributions payable are charged to the income and expenditure account in the year they are payable.

2.9 Taxation

Tax is recognised in profit or loss 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:

	2022	2021
	£	£
Subscriptions	137,708	118,212
Life subscriptions	12,243	13,196
Surplus on merchandise	651	3,174
Entertainment fund surplus	19,505	19,402
Joining fees	11,661	12,761
Advertising income	-	285
	181,768	167,030

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 - 2).

Notes to the Financial Statements
For the year ended 31 December 2022

5. Taxation

	2022	2021
	£	£
Corporation tax		
Current tax on profits for the year	246	2,404
Adjustments in respect of previous periods	-	(89)
	<u>246</u>	<u>2,315</u>
Taxation on profit on ordinary activities		

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. Fixed asset investments

	Listed investments	Capital cash	Total
	£	£	£
Valuation			
At 1 January 2022	533,528	4,600	538,128
Additions	70,041	-	70,041
Disposals	(92,360)	-	(92,360)
Revaluations	(37,947)	-	(37,947)
Movements in cash	-	8,952	8,952
At 31 December 2022	<u>473,262</u>	<u>13,552</u>	<u>486,814</u>

The historical cost of the listed investments, excluding cash, at 31 December 2022 was £396,306 (2021: £388,664).

Notes to the Financial Statements
For the year ended 31 December 2022

7. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 January 2022	5,846
At 31 December 2022	<u>5,846</u>
Depreciation	
At 1 January 2022	5,846
At 31 December 2022	<u>5,846</u>
Net book value	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

Silver and other valuables owned by the Guild, with an insured value of £414,736 (2021: £414,736), are not included as assets in these financial statements.

8. Stocks

	2022 £	2021 £
Finished goods and goods for resale	15,361	7,771
	<u>15,361</u>	<u>7,771</u>

9. Debtors

	2022 £	2021 £
Trade debtors	150	-
Other debtors	-	735
Prepayments and accrued income	9,791	17,984
	<u>9,941</u>	<u>18,719</u>

Notes to the Financial Statements
For the year ended 31 December 2022

10. Cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	117,182	43,390
	<u>117,182</u>	<u>43,390</u>

11. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	6,307	4,222
Corporation tax	246	2,404
Other taxation and social security	11,852	10,020
Other creditors	539	1,822
Accruals and deferred income	108,817	35,926
	<u>127,761</u>	<u>54,394</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.

Profit & loss account

The profit and loss account includes all current and prior period retained profits and losses.

Notes to the Financial Statements
For the year ended 31 December 2022

14. 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 £2,194 (2021: £5,653). Contributions totalling £425 (2021: £Nil) were payable to the fund at the balance sheet date and are included in other creditors.

15. 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.

	2022 £	2021 £
Income from fixed asset investments	11,757	10,804
Release from Life Fund to profit and loss account	12,243	13,196
Assumed income from Life members	24,000	24,000

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.