



The
GOLDSMITHS'
Company Charity

Annual Report and Financial Statements

For the year ended 31 March 2022

Company number: 11048746

Charity number: 1175593

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Directors' Report

Objectives and activities

The Goldsmiths' Company Charity was established by the Goldsmiths' Company, one of the Twelve Great Livery Companies of the City of London. The Charity has three objectives:

- The relief of poverty in the Greater London area and elsewhere in the United Kingdom;
- The advancement of education; and
- The advancement of such other charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The Charity recognises two separate charitable activities undertaken in furtherance of the charitable objectives:

- General grant-making (through the Charity Committee, Education Committee and Court of Wardens); and
- Grant-making and other activities in support of the Goldsmiths' and allied trades (through the Collections Committee, and by funding of the Goldsmiths' Centre).

Several advisory Committees with relevant skills and expertise in their respective areas have been established, to which the Directors delegate responsibility for grant-making and other decisions on activities and spending. Each of these Committees has a separate constitution and meets regularly to address its areas of responsibility, reporting back regularly to the Directors who are responsible for approving all of their work. The Directors meet seven times a year and consider matters that relate to the Charity's activities. Formal delegations to the Chairmen of the Committees have been agreed to ensure the timely and structured conduct of business.

The Directors confirm that they have referred to the Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning their activities for the year. The following review of achievements and performance shows how the public benefit requirements have been met.

Achievements and performance

Charity Committee

Following the departure of two key members of staff, the Charity Committee made the decision to honour its existing commitments and to award grants to invited charities rather than by an open application process. The small grants programme has remained closed. Existing grants within the focus area of prisoner resettlement continued to be the main focus. Another key activity has been extensive consultation work regarding 'Maximising Charitable Impact' a workstream set up in 2020 to look at the nature and impact of our charitable giving.

Covid-19 continued to have a significant impact on the prison system in 2021. Regimes were restricted throughout the year as prisons attempted to keep the risk of an outbreak to a minimum whilst also managing staff shortages, and the emergence of the Omicron variant at the end of the year saw prisons introduce even more restricted regimes. Even as the rest of the country emerged from lockdown during 2021, many prisoners were – and are still – spending 23 hours a day in cells. Across the board, there have been significant challenges in restoring education, training and rehabilitation programmes halted by Covid-19.

Nevertheless, charities have continued to provide services through new ways of working adapted during the pandemic. An example of this is Prisoners' Advice Service, which provides legal advice and information to prisoners in England and Wales regarding their rights. As a result of the pandemic, all outreach clinics were suspended. A new freephone service available only in women's prisons was started. The service has had a good response and developed a wide reach. Since its launch, the service has successfully provided assistance to an additional 200 women. The success of this new service means that Prisoners' Advice Service will continue to provide it for the foreseeable future.

A new partnership was established with Unlocked, who have the aim of attracting high-calibre graduate talent to work in the UK prison service to inject new ideas, insights, and energy into the rehabilitation of prisoners, thereby addressing the damage and cost of reoffending. Unlocked is working to change and break cycles of reoffending by identifying 'brilliant' people and supporting them to spend two years working as frontline prison officers. Prison officers have more contact with prisoners than any other professionals, and so have the power to make a real difference. Prisoners tell us that prison officers' interventions and support, if properly targeted, can help turn lives around. Unlocked wants innovative leaders to join the prison service; to bring fresh thinking and new ideas to reform prisons; and help prisoners make better, more positive choices and prepare for life outside prison.

Directors' Report (continued)

The Unlocked programme has now been running for over five years and they have placed over 500 graduates as prison officers, working with over 10,000 prisons across the country. The Unlocked Graduates' programme was one of the key recommendations of the Coates' Review of prison education. The report argued that education needed to be put at the heart of the prison service if Government was serious about the rehabilitation of prisoners. It also called for the creation of a new scheme to encourage graduates from top universities to work as prison officers for an initial period of two years. We were delighted to make a grant towards core costs and enhancing the impact of the ambassador (alumni) programme.

Education Committee

The primary focus of the Education Committee is to support early years and primary school education, with an emphasis on numeracy, literacy and more recently, oracy – the language development of some children, particularly those on pupil premium, has fallen during the pandemic. The aim is to enrich the curriculum and stimulate creativity as well as improving the well-being and mental health of those involved in education.

Following a one-off grant to the National Literacy Trust (NLT) in February 2021 to fund 'Early Words Together Outdoors' in the North East, the Committee gave a further grant to the NLT in February 2022 to deliver 'First Words Together in Cornwall'. The project aims to improve the early language development of disadvantaged children who might need help with communication skills before the age of two in areas such as Camborne and Redruth, identified as areas of high deprivation with many residents reliant on food banks.

Blackpool Grand's 'Tales Retold Schools Programme' began in Autumn 2021. The three-year project aims to improve life chances of children from 12 primary schools in Blackpool by strengthening their resilience, building communication skills and improving their self-esteem. Since then, 'The Knotted Project' Theatre Company has delivered 36 drama workshops to 315 children across six of the 12 primary schools. The second cohort of six schools begin their project in September 2022.

The Royal Shakespeare Company received a one-off grant of £14,000 to launch their Associate Schools Programme in 20 primary schools in Hastings and Skegness. The programme focuses on primary literacy and oracy in extremely deprived areas, using techniques used in their rehearsal rooms, to help children explore and understand Shakespeare's plays and language.

The Gravesham Maths Project based around three, originally 'failing' Kent primary schools, has been extremely successful. Now in its final year, the project has reached 4,000 pupils and 2,000 teachers, improved maths achievement by 80% and moved King's Farm Primary School into the top 3% of primary schools nationally.

The Goldsmiths' Awards for Community Engagement

The Goldsmiths' Awards for Community Engagement celebrate the largely underacknowledged work of schools in supporting local communities through charitable and voluntary initiatives. The delayed final of the 2020-21 academic year awards took place in November 2021. From 145 entrants, eight secondary schools reached the final at Goldsmiths' Hall. The winner was Eden Girls' School, Coventry. The students, mainly drawn from the Muslim community, reached out to the local Catholic, Anglican and Sikh schools, suggesting they jointly provide hot food to the homeless during lockdown. This led to the same team developing a 'peace garden' to bring together pupils and the community. They have now asked the Birmingham School of Jewellery how to make jewellery from waste plastic, to fund their community outreach. Eden Girls' School received a gold medal and the £3,000 prize. The runner-up, Leeds East Academy, received a silver medal and £1,000.

Court of Wardens

The Wardens disbursed grants of £228k (2021 – £218k) to support charitable activity in the City of London and more widely, with grants to universities, museums, welfare charities, and to charities wanting to use Goldsmiths' Hall for their events. Grant recipients also included aligned associations, charities and educational trusts, as well as some grants in support of the trade.

The Goldsmiths' Centre

The Charity's support for the trade is predominantly delivered through funding of the Goldsmiths' Centre. The Centre is a charity established by the Goldsmiths' Company, whose purpose is to advance, maintain and develop art, craft, design and artisan skills, including goldsmithing. During the year, the Goldsmiths' Company Charity made revenue and capital grants to the Goldsmiths' Centre of £1.77m (2021 – £1.89m) which were used to fill the gap between the income generated through the Centre's commercial activities and the costs of meeting its charitable objectives. These include the provision of managed

Directors' Report (continued)

workspace; education and training for the public benefit; and the fostering, promotion and expansion of public interest in art, craft, design and artisan skills.

The Covid-19 pandemic continued to impact on the support offered by the Centre throughout the reporting period. While the workshops and studios remained open, the Centre was once again forced to suspend face-to-face teaching on the Foundation Programme and its short courses. The investment made in digital activity including the development of a Virtual Learning Environment enabled it to deliver a wide range of remote teaching and learning opportunities to its community. This included the successful completion of their studies for the trainees on the Foundation Programme and those pursuing Goldsmiths' Company Apprenticeships. "Getting Started", the Centre's annual business course for graduates, saw the greatest change with a widening of participation triggered by digital delivery and changes to entry criteria resulting in over 100 attendees taking part from across the UK for a week of lectures and workshops.

Despite the pandemic, the Centre was able to host a series of face-to-face public events and exhibitions including the showcasing of emerging makers work in Shine 2021. The return of the general public to the site was a welcome change from the darker days of 2020 when the Centre's public programme was fully digital. Many lessons have been learned and the Centre's trustees fully expect that a hybrid model of delivery will be adopted for the future.

After its suspension in 2021, the Centre's Collaborative Funding Programme was reopened to applications and several organisations including Creative Dimension Trust, Contemporary British Silversmiths and Bishopsland Educational Trust received grants to support their work.

The Centre partnered with the Charity's 1327 Fund to initiate a new programme of Access Grants designed to remove financial barriers from those wishing to take part in Centre training. Funded by the members of the Goldsmiths' Company, the 1327 Fund is designed to encourage philanthropic giving by current generations of goldsmiths.

The Global Majority Fund

The Goldsmiths' Company Charity launched in September 2021 an industry-first participatory grant making fund, the Global Majority Fund of £50,000, in partnership with the Jewellery Futures Fund and the Goldsmiths' Centre, aiming to increase diversity and representation in the jewellery and silversmithing industries, with a particular focus on the experience of Black jewellers and silversmiths.

A cohort of five participants and their projects were identified. The allocation of the £50,000 fund was decided by the participants and funding of up to £10,000 per project was awarded. The projects ranged from holding a design competition that focused on Global Majority jewellery talent, to workshops to aid the recruitment, progression and retention of Global Majority students, to be delivered in the North of England. In addition to grant funding, all panellists would receive business advice and support from Do it Now Now, a black-led social enterprise commissioned to work with the fund. It is hoped that the fund will contribute to wider efforts to increase racial equality in the craft and trade over the long term.

Performance against internal objectives

The principal internal objective was for the Charity to operate effectively but within its means. Each of the Committees was given a budget that covered the year and was charged with operating within it. Each committee did so successfully.

Factors that impacted on the ability to achieve the Charity's objectives

No factors have been identified that impacted on the ability to achieve the Charity's objectives other than those identified in the Risk Assessment Policy.

Plans for future years

The Charity has continued to conduct a review entitled 'Maximising Charitable Impact', which is examining if and how the Charity can work more effectively to deliver the best outcome for its beneficiaries. Meanwhile, the Directors plan to continue operating on the basis as set out in the objectives and activities, and achievements and performance sections. It is their intention to maintain a broadly similar level of charitable activity, grant-making and support of the goldsmiths' craft. This may include continuing to transfer funds from the expendable endowment to the general fund to support charitable expenditure.

The Directors plan to disburse the remaining balance of the Covid-19 Fund in the coming year, depending on any change in the Covid-19 situation.

It is anticipated that there will be a continuing need to provide support for the activities of the Goldsmiths' Centre.

Directors' Report (continued)

In addition to these ongoing grants and activities, the Charity has pledged a £10m donation to fund the redevelopment of the Museum of London in its new location in West Smithfield.

Financial Review

Reserves policy

The Directors' Reserves Policy for the Charity is to maintain a surplus of income of between £1,800,000 to £2,000,000, to ensure the Charity could continue to meet its longer-term commitments in the face of a sudden downturn in income and recognise the intention to provide an operating grant for the Goldsmiths' Centre. The level of reserves which should be retained in the Charity is reviewed annually.

At 31 March 2022 the unrestricted funds balance was £3,291,019 (2021 – £3,294,019), which included £194,000 (2021 – £197,000) in the designated Covid-19 Fund. Free reserves were £3,097,019 (2021 – £3,097,019) which was in excess of the target level of reserve of £1,800,000 to £2,000,000. The excess of £1,097,019 is earmarked as part of the planned £10,000,000 donation to fund the redevelopment of the Museum of London in its new location in West Smithfield.

Principal funding sources

The Charity delivers its charitable activities using funds stemming from endowments bequeathed over the centuries, and the Directors are not required to raise further funds to meet their objectives. The endowments are primarily invested in the stock market and are managed, on behalf of the Directors, by the investment managers listed on page 8.

1327 Funds

The Charity runs a charitable giving initiative, the 1327 Fund, to enable current members of the Goldsmiths' Company to contribute to the Charity's work. If they want to support the trade, members can donate to the Members' Industry Scheme, focussing on young people, emerging talent, and established makers who are working or aspiring to work in the jewellery, silversmithing and allied industries. Alternatively, members can donate to the Members' Charitable Partnerships Scheme, which contributes via charitable and educational partners whose activities fall within the Charity's priority areas of youth, criminal justice, and an ageing population. Some members choose to donate to both. During the year, the Members' Industry Scheme received donations of £23,014 (2021 – £168,540) and the Members' Charitable Partnerships Scheme received donations of £25,238 (2021 – £146,222).

Investment policy

The Directors review the Charity's Investment Policy every year. The Charity considers it best to hold its assets in the form of marketable securities. It is the intention to dispose of the remaining investment properties when the timing is right.

In instructing the investment managers, the Directors have decided to pursue an investment policy for the Charity which both provides income to enable them to address their current objectives and enhances income and capital growth over the longer term, thereby enabling the Charity to meet its objectives into the future. The investment managers are required to pay attention to the standard investment criteria, namely the suitability of the class of the investment and the need for diversification when appropriate.

Restrictions on the type of investments or markets in which the investment manager can invest are set out in writing. Over the year of this report, no restrictions were placed on the investment manager other than that no derivative transactions were to be undertaken without prior written permission.

Environmental, Social and Corporate Governance

In today's world, the Charity recognises that it needs to have an investment strategy that reflects the 'Principles of Responsible Investing' (PRI) in its investment approach. These principles, which the United Nations defined in 2006, relate to the environmental and social impact of an entity's activity, and the manner in which a business is managed. Together, these factors are known as Environmental, Social and Corporate Governance (ESG).

The main objective of the Charity's investment policy is to maximise investment returns in a way that preserves and enhances the Charity's capacity to make grants, and gives it financial flexibility to help achieve that objective. The Charity has always attached great importance to the protection of its reputation in making investment decisions. The Charity recognises the growing integration of the PRI and that responsible ownership and business success go hand in hand. Accordingly, it has an ESG policy which aims to ensure that the Charity understands and incorporates best practice ESG analysis in its investment thinking and engages collaboratively with its delegated managers and advisers to ensure that there is consistency in approach and implementation.

Directors' Report (continued)

Investment objectives

The standing investment objectives set down for the investment manager are as follows:

- The equal importance of preservation and real growth of capital value for the benefit of future generations;
- To invest the assets on a total return basis (introduced in 2021) in a balanced portfolio, which will consist mainly of equities and fixed income securities; and
- To provide a growing natural rate of income as agreed annually by the Investment Committee on behalf of the Charity that is appropriate to the portfolio.

Investment performance against investment objectives

The Charity's total investment portfolio had a market value on 31 March 2022 of £160.5m (2021 – £153.0m), inclusive of investments attributable to restricted funds and cash available for investment.

The value of the endowment fund portfolio managed by the investment managers increased by 4.4% to £147.3m (2021 – increased by 23.1% to £141.1m). Other investments held were alternative investments of £1.0m (2021 – £1.1m) held in Private Equity Funds, and £8.1m (2021 – £6.8m) in a property investment fund.

The investment managers were set an income target of £2.5m for the year. Actual income achieved from the portfolio was £2.7m (2021 – £2.6m) which was an annual return of 1.9% (2021 – 2.3%) on the opening investment portfolio managed by the investment managers.

The value of investment properties included in the Charity's investment portfolio increased to £3.7m (2021 – £3.5m) which reflects the changing conditions in the City. There was a minor increase in rental income at £0.1m (2021 – £0.1m).

The Directors are mindful of the continuing challenging economic conditions owing to the Covid-19 pandemic and wider political developments. Through the Investment Committee, which meets quarterly, they will keep under review the income targets, capital growth performance and investment mix to minimise risk.

Fundraising activities

The Directors take seriously their responsibilities under the Charities (Protection and Social Investment) Act 2016 and have considered the implications on their fundraising activities. The Charity does not raise funds directly from the general public. The Charity does not receive commercial sponsorship. The Directors are not aware of any complaints made in respect of fundraising during the year.

Risk assessment policy

A risk assessment report is reviewed at least once a year by the Directors. The five principal areas of risk that have been identified and require to be managed are deemed to be: the protection of assets; the protection of income; staffing issues; the protection of reputation; and effective grant-making. The Directors keep under review the major risks facing the Charity and are satisfied that appropriate systems and processes are in place to mitigate these risks, summarised below.

Protection of assets: immediate oversight provided by the Investment Committee, which consults professional advisors and monitors their performance as appropriate. Cash is spread between various banks with appropriate credit ratings. The Charity's investment values have increased during the year. However, markets remain volatile as the recovery from the Covid-19 pandemic continues. The Investment Committee has continued to assess and mitigate risk as considered appropriate.

Protection of income: an expenditure budget is set against forecast income each year. A free reserves policy has been set to guard against factors outside the control of the Directors which may adversely affect income. Investments are now managed on a total return basis, with the expendable endowment available to support expenditure while continuing to maintain the overall endowment in real terms over time.

Staffing issues: the Charity does not employ staff directly. All staff working on behalf of the Charity are employed by the Goldsmiths' Company, which makes a management recharge from the Charity. The Directors are satisfied that the Goldsmiths' Company holds appropriate insurances and has sufficient capacity and disaster recovery plans to continue to provide administration services for the Charity in the event of contingency situations or foreseeable disasters.

Protection of reputation: the Directors are careful to observe procedures laid down in relevant legislation, standards and guidance from regulators. Solicitors are appointed to give advice on any charitable matter the Directors deem appropriate. The Charity is a member of the Association of Charitable Foundations which gives advice on updated regulations and best

Directors' Report (continued)

practice. The Charity does not make grants to any body with an evident party-political stance, or any body which might adversely affect its reputation.

Effective grant-making: grant-making is normally confined to the Greater London Area, national charities and community foundations. Grant applications are conducted through an application form available on the Charity's website, and are supported by the applicant's latest financial statements. Where necessary, the applicant is visited and/or independent referees are consulted. Grants are decided by the Directors via the relevant Committee. Grant recipients are asked to submit a report detailing how the grant has been used and the impact achieved, which is reviewed by the relevant Committee.

Overview

The Charity's net assets have increased to £170.4m (2021 – £162.8m). The increase was mainly due to further recovery in investment values since the downturn caused by the Covid-19 pandemic.

On the balance sheet date the Charity held £14.2m in bank balances (2021 – £11.1m) of which £4.4m (2021 – £1.6m) was cash held as investments by the investment managers. Cash is being held in the Charity to fund the planned donation to the Museum of London.

Statement of Directors' Responsibilities

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 they are required to prepare the financial statements in accordance with UK Accounting Standards including FRS 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 charitable company and of the excess of income over expenditure for that year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue its activities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The Directors who held office at the date of approval of the Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Charity's auditor is unaware. Furthermore, the Directors are of the view that, under their delegated authority, the members of staff working on behalf of the Charity have taken all appropriate steps to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. Pursuant to Section 487 of Companies Act 2006, the auditor will be deemed to be reappointed and Saffery Champness LLP will therefore continue in office.

Reference and Administrative Details

The Goldsmiths' Company Charity is a charitable company limited by guarantee and does not have share capital. The company was formed on 6 November 2017 in England and Wales with company number 11048746 and registered with the Charity Commission for England and Wales on 7 November 2017 with charity number 1175593.

The principal and registered office of the company is Goldsmiths' Hall, 13 Foster Lane, London EC2V 6BN.

Directors' Report (continued)

The Directors of the company (who are also Trustees of the Charity for the purposes of charity law) are as follows:

The Lord Bridges – Chair	Ms J.F.C. Goad
Mr R.D. Agutter – retired 16 March 2022	Ms J. Hardy
Mr E.C. Braham	Mr E.M. Harley
Ms V.R. Broackes	Mr G.G. Macdonald
Dame Lynne Brindley	Professor C.G. Mackworth-Young
Brigadier E.A. Butler	Mr R.R. Madeley
Mr N.A.P. Carson	Mr H.J. Miller
Mrs J.A. Cobham-Lowe	Mr W.H.M. Parente
Mr A.P.A. Drysdale	Mr M.C.T. Prideaux
Mr T.R.B. Fattorini	Mr R.H. Reid
Mr R.N. Fox	Mr T.B. Schroder
Mr A.M.J. Galsworthy	Mr M.J. Wainwright

Structure, Governance and Management

Board of Directors – Selection and Induction

Directors are elected to the board through a process of selection from the Livery of the Goldsmiths' Company. Upon election, each new Director of the Charity meets with the Clerk of the Goldsmiths' Company who, in his capacity as Clerk and Correspondent to the Charity, briefs the new Director on the role and responsibilities of a Director. Each Director is also issued with a pack of appropriate documents including the Charity Governance Code as well as the following Charity Commission publications:

- CC3 "The Essential Trustee – What you need to know";
- CC8 "Internal Financial Controls for Charities";
- CC26 "Charities and Risk Management".

The Directors monitor their own performance and ensure that they are kept up to date on all the relevant changes to the legal and accounting requirements for a Charity of this size.

Key management personnel

The Directors delegate day to day management of the Charity to the following:

Sir David Reddaway – Clerk and Correspondent
Mr S.G. Hutchinson – Deputy Clerk
Mr R.W.J. Preece – Director of Finance

Professional advisors

Solicitors:	Taylor Wessing LLP 5 New Street Square London EC4A 3TW
	BDB Pitmans LLP One Bartholomew Close London EC1A 7BL
Surveyor:	CBRE Ltd Henrietta House Henrietta Place London W1G 0NB
Auditor:	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Investment Managers:	Sarasin & Partners LLP Juxon House 100 St Paul's Churchyard London EC4M 8BU

Directors' Report (continued)

Waverton Investment Management Limited
16 Babmaes Street
London SW1Y 6AH

Banker: Barclays Bank plc
1 Churchill Place
London E14 5HP

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements were approved by the Directors on 27th September 2022.
and are signed on their behalf by:


.....
The Lord Bridges
Chair

Date: 27th September 2022

Independent Auditor's Report to the Members

Opinion

We have audited the financial statements of The Goldsmiths' Company Charity for the year ended 31 March 2022 which comprise the Statement of financial activities, Balance sheet, Cash flow statement and notes to the financial statements, including significant 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 charitable company's state of affairs as at 31 March 2022 and of its incoming resources and application of resources, including 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 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 directors' 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

Independent Auditor's Report to the Members (continued)

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 Directors' Report.

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Directors' Report and the Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 7, the directors (who are also trustees of the charitable company for the purposes of charity 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 directors 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 directors 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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors and informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and

Independent Auditor's Report to the Members (continued)

regulations that are of significance in the context of the charitable company by discussions with directors and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include the Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

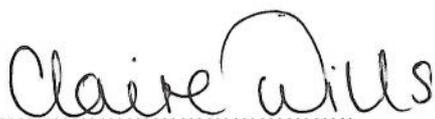
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through 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.



Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date: 28 September 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of Financial Activities

For the year ended 31 March 2022
(including the Income and Expenditure Account)

	Note	2022			2021	
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
		£	£	£	£	£
Income from						
Donations	2	-	51,798	-	51,798	318,458
Investments	2	3,108,476	13,779	-	3,122,255	3,267,634
Other	2	-	252	-	252	531
Total		3,108,476	65,829	-	3,174,305	3,586,623
Expenditure on						
Raising funds:						
Investment management fees		-	-	571,193	571,193	525,654
Charitable activities:						
General grants	3	1,384,577	77,718	-	1,462,295	1,658,429
Support of the trade	3	2,004,438	37,661	-	2,042,099	2,877,324
Total charitable activities		3,389,015	115,379	-	3,504,394	4,535,753
Total		3,389,015	115,379	571,193	4,075,587	5,061,407
Net expenditure before transfers and gains		(280,539)	(49,550)	(571,193)	(901,282)	(1,474,784)
Transfers between funds		277,539	-	(277,539)	-	-
Net gains/(losses) on investments		-	12,655	8,514,592	8,527,247	27,337,985
Net income/(expenditure) and net movement in funds		(3,000)	(36,895)	7,665,860	7,625,965	25,863,201
Total funds brought forward		3,294,019	1,572,157	157,929,625	162,795,801	136,932,600
Total funds carried forward		3,291,019	1,535,262	165,595,485	170,421,766	162,795,801

All amounts relate to continuing operations.

The Charity has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 16 to 32 form part of these financial statements.

A comparative Statement of Financial Activities is included in note 15.

Balance Sheet

As at 31 March 2022

Company number 11048746

		<u>2022</u>	<u>2021</u>
	Note	£	£
Fixed assets			
Heritage assets	6	520,596	520,596
Investments	7	<u>160,521,699</u>	<u>153,033,111</u>
		<u>161,042,295</u>	<u>153,553,707</u>
Current Assets			
Debtors	8	199,177	343,662
Cash at bank		<u>9,821,666</u>	<u>9,561,868</u>
		10,020,843	9,905,530
Current liabilities			
Creditors falling due within one year	9	641,372	663,436
		<u>9,379,471</u>	<u>9,242,094</u>
Net current assets			
		<u>9,379,471</u>	<u>9,242,094</u>
Net assets			
		<u>170,421,766</u>	<u>162,795,801</u>
Funds			
Endowment funds	12	165,595,485	157,929,625
Restricted funds	12	1,535,262	1,572,157
Unrestricted funds	12	3,291,019	3,294,019
		<u>170,421,766</u>	<u>162,795,801</u>

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 16 to 32 form part of these financial statements.

Signed on behalf of the Board of Directors by:



The Lord Bridges – Chair

Date: 27th September 2022



Professor Charles Mackworth-Young – Director

Date: 27th September 2022

Statement of Cash Flows

For the year ended 31 March 2022

	<u>2022</u>	<u>2021</u>
	£	£
Cash flows from operating activities		
Net income for the year per SoFA	7,625,965	25,863,201
Adjustments for:		
Net (gains)/losses on investments	(8,527,247)	(27,337,985)
Dividends, interest and rents from investments	(3,122,255)	(3,267,634)
Decrease in debtors	144,485	819,980
Decrease in creditors	(22,064)	(59,774)
Net cash used in operating activities	<u>(3,901,116)</u>	<u>(3,982,212)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	3,122,255	3,267,634
Proceeds from sale of investments	53,911,906	42,234,017
Purchase of investments	<u>(50,033,038)</u>	<u>(51,516,169)</u>
Net cash (used in)/provided by investing activities	<u>7,001,123</u>	<u>(6,014,518)</u>
Change in cash and cash equivalents in the year	3,100,007	(9,996,730)
Cash and cash equivalents at the beginning of the period	<u>11,113,069</u>	<u>21,109,799</u>
Cash and cash equivalents at the end of the period	<u>14,213,076</u>	<u>11,113,069</u>
Analysis of cash and cash equivalents		
Cash at Bank	5,312,959	5,061,868
Deposits with maturity in less than 12 months	<u>4,508,707</u>	<u>4,500,000</u>
Subtotal cash not available to investment managers	9,821,666	9,561,868
Cash available for investment held by investment managers	<u>4,391,410</u>	<u>1,551,201</u>
Cash and cash equivalents at the end of the period	<u>14,213,076</u>	<u>11,113,069</u>
Analysis of changes in net debt		
Cash and cash equivalents at the beginning of the period	11,113,069	21,109,799
Cash flows	<u>3,100,007</u>	<u>(9,996,730)</u>
Cash and cash equivalents at the end of the period	<u>14,213,076</u>	<u>11,113,069</u>

The notes on pages 16 to 32 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2022

1. Principal accounting policies

- a) The financial statements have been prepared under the historical cost convention, with the exception that investment properties and investments are included at market value. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard (FRS 102) applicable in the United Kingdom and Republic of Ireland and the Charities Act 2011, Companies Act 2006, and UK Generally Accepted Accounting Practice.
- b) There are no material uncertainties about the Charity's ability to continue and the financial statements are prepared on a going concern basis. The Directors consideration of going concern included an assessment of the ongoing and potential future effect of the Covid-19 pandemic.
- c) The Charity is a public benefit entity.
- d) The financial statements are prepared in pounds sterling.
- e) Income is brought into account when receivable; dividends are recognised once the dividend has been declared and the amount is known.
- f) Expenditure is accounted for on an accruals basis.
- g) Charitable activities – The Directors consider that the Charity is involved in two areas of charitable activity: direct grant making and activities which are in support of the goldsmithing, silversmithing and allied trades.
- h) Support costs – The Charity does not employ any staff. A management recharge is made by the Goldsmiths' Company which includes staffing and associated costs on a time-apportionment basis. The majority of these costs support the grant-making activity, with a small proportion being allocated to governance costs.
- i) Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These include costs related to statutory audit and legal fees and Director insurance, and are part of the support costs.
- j) Grants payable are recognised in the year in which the commitment is made. Commitment is made when the Charity is obligated to pay the grant, for example: when the grantee is notified in writing of the award, or; the grant is paid.
- k) Heritage assets are a collection of various pieces of decorative silver owned by the Silver Trust held at 10 Downing Street. Heritage assets are held at cost and depreciation is not charged. The Directors carry out an impairment review annually.
- l) Investment management and property valuation fees are charged to the Endowment Fund.
- m) Valuation, capitalisation and depreciation of property – Investment properties are included in the financial statements at open market values. Gains or losses on revaluation are included in the Endowment Fund.
- n) Investments are included on the Balance Sheet at market value. Investment gains and losses are calculated by reference to opening market value and disposal proceeds and are recognised as movements in the Endowment Fund. Cash available for investment, held by the Charity's investment managers is included in investments.
- o) Cash at Bank – Included in this figure are amounts held directly by the Charity in a number of bank accounts, together with amounts held by the investment managers due to be returned to the Charity's bank accounts.

Notes to the Financial Statements (continued)

- p) Areas of significant estimation or judgement – investment properties are valued each year on a market value basis, in accordance with practice statements of the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors. No other significant estimations or judgements have been identified.
- q) Following the amalgamation of three charities in 2001 the permanent and expendable endowment funds presented in these financial statements are based on those inherited from the predecessor charities. Specific movements attributable to the brought forward permanent and expendable endowment funds are allocated to the funds to which they relate. All other movements are allocated to the funds based on the relative percentages of the permanent and expendable endowment funds at the beginning of the year (see note 0).
- r) Under the Charity Commission Scheme the permanent endowment may not be spent for income purposes, while the expendable endowment may be used as the Directors see fit.
- s) All income from endowment funds is allocated to the Unrestricted Fund for expenditure in furthering the objects of the Charity.
- t) Taxation – the Charity is exempt from direct taxation on its income and gains to the extent that they are applied exclusively to charitable activities. The Charity currently conducts no activities deemed as business for Valued Added Tax purposes, therefore irrecoverable Input Tax is included within the relevant cost heading.

Notes to the Financial Statements (continued)

2. Income

	2022			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Voluntary Income				
Donations and legacies	-	51,798	-	51,798
Total Voluntary Income	-	51,798	-	51,798
Investment Income				
Dividends and Interest	2,935,789	13,758	-	2,949,547
Rent	136,375	-	-	136,375
Bank and Other Interest	36,312	21	-	36,333
Total Investment Income	3,108,476	13,779	-	3,122,255
Other Income				
Commission on sale of merchandise	-	252	-	252
Total Other Income	-	252	-	252
Total Income	3,108,476	65,829	-	3,174,305
	2021			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Voluntary Income				
Donations and legacies	-	318,458	-	318,458
Total Voluntary Income	-	318,458	-	318,458
Investment Income				
Dividends and Interest	3,086,604	14,794	-	3,101,398
Rent	101,250	-	-	101,250
Bank and Other Interest	64,819	167	-	64,986
Total Investment Income	3,252,673	14,961	-	3,267,634
Other Income				
Commission on sale of merchandise	-	531	-	531
Total Other Income	-	531	-	531
Total Income	3,252,673	333,950	-	3,586,623

Notes to the Financial Statements (continued)

4. Support costs

The Charity does not itself employ any staff. The Key Management Personnel of the Charity are the Directors, who are not remunerated.

Management recharges from the Goldsmiths' Company for central support functions and grants administration are calculated to include staffing and associated costs on a time-apportionment basis. The total amount of management recharges from the Goldsmiths' Company in the year was £277,125 (2021 – £385,905).

Professional fees include the auditors' remuneration of £13,700 (2021 – £12,750).

None of the Directors received any remuneration in the year (2021 – £nil). No expenses were reimbursed to any Director during the year.

	2022		
	General grants	Support of the Trade	Total
	£	£	£
Unrestricted funds			
Management Recharge			
Staffing Costs	146,277	38,473	184,750
Office Costs	73,138	19,237	92,375
	<u>219,415</u>	<u>57,710</u>	<u>277,125</u>
Direct costs	17,781	17,957	35,738
Total support costs	<u>237,196</u>	<u>75,667</u>	<u>312,863</u>
Direct expenditure (see note 3)			
Grants - General	1,091,907	-	1,091,907
Grants - Support of the Trade	-	1,919,019	1,919,019
Charitable activities (non-grant)	55,474	9,752	65,226
Total unrestricted fund expenditure	<u>1,384,577</u>	<u>2,004,438</u>	<u>3,389,015</u>
Restricted funds			
Direct costs	72	43	115
Total support costs	<u>72</u>	<u>43</u>	<u>115</u>
Direct expenditure			
Total Grants - General	77,646	-	77,646
Total Grants - Support of the Trade	-	37,618	37,618
Total restricted fund expenditure	<u>77,718</u>	<u>37,661</u>	<u>115,379</u>
Total expenditure on charitable activities	<u>1,462,295</u>	<u>2,042,099</u>	<u>3,504,394</u>

Notes to the Financial Statements (continued)

	2021		Total £
	General grants £	Support of the Trade £	
Unrestricted funds			
Management Recharge			
Staffing Costs	208,016	49,254	257,270
Office Costs	104,008	24,627	128,635
	<u>312,024</u>	<u>73,881</u>	<u>385,905</u>
Direct costs	15,830	15,650	31,480
Total support costs	<u>327,854</u>	<u>89,531</u>	<u>417,385</u>
Direct expenditure (see note 3)			
Total Grants - General	1,292,206	-	1,292,206
Total Grants - Support of the Trade	-	2,733,862	2,733,862
Charitable activities (non-grant)	-	38,880	38,880
Total unrestricted fund expenditure	<u>1,620,060</u>	<u>2,862,273</u>	<u>4,482,333</u>
Restricted funds			
Direct costs	69	51	120
Total support costs	<u>69</u>	<u>51</u>	<u>120</u>
Direct expenditure			
Total Grants - General	38,300	-	38,300
Total Grants - Support of the Trade	-	15,000	15,000
Total restricted fund expenditure	<u>38,369</u>	<u>15,051</u>	<u>53,420</u>
Total expenditure on charitable activities	<u>1,658,429</u>	<u>2,877,324</u>	<u>4,535,753</u>

5. Governance costs

Governance costs are included within total support costs in note 4 and include costs related to the statutory audit, legal fees and Director insurance, together with an allocation of costs for staff time involved in supporting the governance of the Charity.

	2022 £	2021 £
Apportionment of Staff Costs	8,684	76,608
Professional fees (audit, legal)	24,490	20,811
Trustee Indemnity Insurance	3,453	3,696
	<u>36,627</u>	<u>101,115</u>

Notes to the Financial Statements (continued)

6. Heritage Assets

The heritage assets of the Charity are a collection of various pieces of decorative silver owned by the Silver Trust held at 10 Downing Street.

The Directors reviewed the heritage assets against their carrying values as at 31 March 2022 and no impairments to value were identified.

The 5-year history of the heritage assets is shown below.

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
	£	£	£	£	£
Balance brought forward	520,596	520,596	520,596	481,596	481,596
Purchases	-	-	-	39,000	-
Balance carried forward	<u>520,596</u>	<u>520,596</u>	<u>520,596</u>	<u>520,596</u>	<u>481,596</u>

7. Investments

a) Investment properties

The Charity's investment properties comprise one City of London office property, a housing trust and sundry other properties in Acton. The historical cost of all properties is £nil.

The properties were revalued at 31 March 2022 by CBRE, Henrietta House, Henrietta Place, London W1G 0NB, on a fair value basis, in accordance with practice statements of the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors.

	<u>2022</u>	<u>2021</u>
	£	£
<i>Endowment Funds</i>		
Valuation brought forward	3,527,000	3,181,000
Net Gain on Revaluation	150,000	346,000
Valuation carried forward	<u>3,677,000</u>	<u>3,527,000</u>
Historical Cost	-	-
Accumulated Gains	<u>3,677,000</u>	<u>3,527,000</u>

b) Investments

	<u>2022</u>	<u>2021</u>
	£	£
<i>Endowment Funds</i>		
Valuation brought forward	147,456,657	111,273,290
Disposal Proceeds	(53,909,913)	(42,234,017)
Profit/(Loss) on Disposals	4,791,473	5,465,984
Additions at Cost	50,031,044	51,516,169
Net Gain/(Loss) on Revaluation	3,573,119	21,435,231
Valuation carried forward	<u>151,942,380</u>	<u>147,456,657</u>
Historical Cost	<u>128,615,836</u>	<u>123,332,553</u>
Accumulated Gains/(Losses)	<u>23,326,544</u>	<u>24,124,104</u>

Notes to the Financial Statements (continued)

	<u>2022</u>	<u>2021</u>
	£	£
<i>Restricted Funds</i>		
Valuation brought forward	498,253	407,483
Disposal Proceeds	(1,993)	-
Additions at Cost	1,994	-
Net Gain/(Loss) on Revaluation	12,655	90,770
Valuation carried forward	<u>510,909</u>	<u>498,253</u>

c) Investment cash

Cash held for the purpose of investing is as follows:

	<u>2022</u>	<u>2021</u>
	£	£
<i>Endowment Funds</i>		
Cash available for investment	4,391,410	1,551,201
	<u>4,391,410</u>	<u>1,551,201</u>
Total Investments valuation carried forward	<u>160,521,699</u>	<u>153,033,111</u>

Investments are held in the following asset classes:

	<u>2022</u>	<u>2021</u>
	£	£
Investment properties	3,677,000	3,527,000
Investment property fund	8,133,205	6,835,992
UK equities	39,122,293	34,173,026
Overseas equities	94,919,023	93,242,057
Fixed interest	10,278,768	13,703,835
Cash	4,391,410	1,551,201
	<u>160,521,699</u>	<u>153,033,111</u>

d) Investment commitments

As at 31 March 2022 the Charity is committed to providing funds to certain investment vehicles as part of the overall investment strategy of the Charity. The amounts committed at 31 March 2022, expressed in sterling, are as follows:

	<u>2022</u>	<u>2021</u>
	£	£
Schroder Private Equity Fund of Funds II	-	9,321
Schroder Private Equity Fund of Funds IV	-	32,908
Partners Capital Condor Fund XV (Cayman) LP	1,200,000	-
Partners Capital Secondaries SMA 2022 (Cayman) LP	2,000,000	-
	<u>3,200,000</u>	<u>42,229</u>

The amounts committed are due on call.

Notes to the Financial Statements (continued)

8. Debtors

	2022	2021
	£	£
Investment Income receivable	188,847	332,178
Sundry debtors and prepayments	10,330	11,484
	<u>199,177</u>	<u>343,662</u>

9. Creditors

	2022	2021
	£	£
<i>Falling due within one year</i>		
Related party creditors	57,539	90,307
Grants payable	397,220	389,266
Investment Management fees	143,423	135,850
Rental income received in advance	26,750	25,313
Sundry Accruals	16,440	22,700
	<u>641,372</u>	<u>663,436</u>

10. Operating lease income

The Charity's investment property is let under an operating lease. The future minimum lease payments receivable under non-cancellable leases are as follows:

	2022	2021
	£	£
Operating lease receipts which fall due:		
Within one year	107,000	101,250
After one year but within five years	428,000	405,000
Later than five years	4,868,500	4,708,125
	<u>5,403,500</u>	<u>5,214,375</u>

11. Related party transactions

In addition to the management recharges made by other Goldsmiths' entities which are explained in note 4, there are expenses paid by the Goldsmiths' Company on behalf of the Charity which the Charity then reimburses to the Goldsmiths' Company.

The balance due to the Goldsmiths' Company of £57,539 (2021 – £90,307) represents unpaid management charges and other reimbursable expenditure.

The Charity made purchases of £1,961 (2021 – £181) from Thomas Fattorini Limited, a company owned by one of the Directors of the Charity.

Donations made to the Charity's 1327 Funds by the Directors during the year came to £11,688 (2021 – £27,008).

Notes to the Financial Statements (continued)

12. Funds movements

a) Endowment Funds

The permanent endowment is that part of the endowment which relates to the former General and John Perryn Charities. The General Charity arose from the consolidation of various smaller charities under Schemes approved by the Charity Commission, while the John Perryn Charity is from the will of John Perryn in 1656. Both charities had endowments held in property, investments and cash.

The expendable endowment is that part of the endowment which derives from the former Goldsmiths Charitable Donation Fund, which was set up by Deed of Trust in 1961 without any commencing capital. No property was ever held by that charity. The Trustees may use the expendable endowment to further the Charity's objects, including to fund charitable spending which cannot be fully met from income.

It is anticipated that the long-term capital growth of the overall endowment funds will exceed that required to protect them from the effects of inflation. On that basis, the Directors have decided to allocate some of that capital growth to support current expenditure. The transfer from the expendable endowment to the general fund to support charitable expenditure in 2022 was £277,539 (2021 – £nil).

During the year, the Trustees transferred £nil (2021 – £1,000,000) from the expendable endowment to the Covid-19 Fund, a designated fund within unrestricted funds.

b) Restricted Funds

Members of the Goldsmiths' Company are encouraged to donate to the 1327 Fund, a restricted fund established during the 2019-20 year. The 1327 Fund is split between: a Members' Industry Scheme, which supports young people, emerging talent, and established makers who are working or aspiring to work in jewellery, silversmithing and allied industries; and a Members' Charitable Partnerships Scheme, which supports charities working within youth, criminal justice, and an ageing population.

Other restricted funds are as follows:

- I. The Members' Charitable Fund – set up for members of the Goldsmiths' Company to support charitable support of the trade, it is intended that this fund will cease after spending the remaining balance.
- II. Aidan Threlfall Trust – set up by Deed of Trust dated 9 June 1976.
- III. The Brian Wood Memorial Fund – set up on 23 April 1996 by donation.
- IV. Sir Martin Bowes Charity – set up by the will of Sir Martin Bowes dated 20 September 1562.
- V. The Milner Fund – set up by Deed of Trust dated 5 September 1973.
- VI. The Silver Trust – set up by Deed of Trust dated 29 March 1988.

c) Unrestricted Funds

During the year, the Trustees transferred £nil (2021 – £1,000,000) from the expendable endowment to the Covid-19 Fund, a designated fund within unrestricted funds. At the end of the year, the balance of this fund was £194,000 (2021 – £197,000).

At 31 March 2021 the unrestricted funds balance was £3,291,019 (2021 – £3,294,019), which included £194,000 (2021 – £197,000) in the designated Covid-19 Fund. Free reserves were £3,097,019 (2021 – £3,097,019) which was in excess of the target level of reserve of £1,800,000 to £2,000,000. The excess of £1,097,019 is earmarked as part of the planned £10,000,000 donation to fund the redevelopment of the Museum of London in its new location in West Smithfield.

The balances and movements of all funds during the year follow.

Notes to the Financial Statements (continued)

12. Funds movements (continued)

2022	Balance brought forward £	Income £	Expenditure £	Transfers £	Net gain / (loss) on investments £	Balance carried forward £
Endowment Funds						
Permanent Endowment	121,247,161	-	(435,471)	-	6,571,740	127,383,430
Expendable Endowment	36,682,464	-	(135,722)	(277,539)	1,942,852	38,212,055
Total Endowment	157,929,625	-	(571,193)	(277,539)	8,514,592	165,595,485
Restricted Funds						
Members' Industry Scheme	201,210	23,140	(35)	-	-	224,315
Charitable Partnerships Scheme	166,346	25,364	(54,397)	-	-	137,313
Subtotal 1327 Funds	367,556	48,504	(54,432)	-	-	361,628
Members' Charitable Fund	131,779	3,548	(37,626)	-	-	97,701
Threlfall	64,791	1,647	-	-	1,513	67,951
Wood	36,881	955	-	-	878	38,714
Bowes	323,225	8,293	(19,502)	-	7,619	319,635
Milner	127,329	2,882	(3,819)	-	2,645	129,037
Silver Trust	520,596	-	-	-	-	520,596
Total Restricted Funds	1,572,157	65,829	(115,379)	-	12,655	1,535,262
Unrestricted Funds						
General Fund	3,097,019	3,108,476	(3,386,015)	277,539	-	3,097,019
Covid-19 Fund	197,000	-	(3,000)	-	-	194,000
Total Unrestricted Funds	3,294,019	3,108,476	(3,389,015)	277,539	-	3,291,019
Total Funds	162,795,801	3,174,305	(4,075,587)	-	8,527,247	170,421,766

Notes to the Financial Statements (continued)

12. Funds movements (continued)

2021	Balance brought forward £	Income £	Expenditure £	Transfers £	Net gain / (loss) on investments £	Balance carried forward £
Endowment Funds						
Permanent Endowment	100,793,922	-	(401,940)	-	20,855,179	121,247,161
Expendable Endowment	31,414,142	-	(123,714)	(1,000,000)	6,392,036	36,682,464
Total Endowment	132,208,064	-	(525,654)	(1,000,000)	27,247,215	157,929,625
Restricted Funds						
Members' Industry Scheme	32,409	168,840	(39)	-	-	201,210
Charitable Partnerships Scheme	36,257	146,453	(16,364)	-	-	166,346
Subtotal 1327 Funds	68,666	315,293	(16,403)	-	-	367,556
Members' Charitable Fund	142,944	3,847	(15,012)	-	-	131,779
Threfall	53,673	1,770	(1,502)	-	10,850	64,791
Wood	30,559	1,027	(1,003)	-	6,298	36,881
Bowes	279,157	8,917	(19,500)	-	54,651	323,225
Milner	105,262	3,096	-	-	18,971	127,329
Silver Trust	520,596	-	-	-	-	520,596
Total Restricted Funds	1,200,857	333,950	(53,420)	-	90,770	1,572,157
Unrestricted Funds						
General Fund	3,523,679	3,252,673	(3,679,333)	-	-	3,097,019
Covid-19 Fund	-	-	(803,000)	1,000,000	-	197,000
Total Unrestricted Funds	3,523,679	3,252,673	(4,482,333)	1,000,000	-	3,294,019
Total Funds	136,932,600	3,586,623	(5,061,407)	-	27,337,985	162,795,801

13. Analysis of net assets between funds

	2022			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Funds balances represented by:				
Heritage Assets	-	520,596	-	520,596
Investments	-	510,909	160,010,790	160,521,699
Current Assets	3,741,402	551,323	5,728,118	10,020,843
Creditors	(450,383)	(47,566)	(143,423)	(641,372)
	3,291,019	1,535,262	165,595,485	170,421,766

Notes to the Financial Statements (continued)

	2021			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Funds balances represented by:				
Heritage Assets	-	520,596	-	520,596
Investments	-	498,253	152,534,858	153,033,111
Current Assets	3,802,608	572,305	5,530,617	9,905,530
Creditors	(508,589)	(18,997)	(135,850)	(663,436)
	<u>3,294,019</u>	<u>1,572,157</u>	<u>157,929,625</u>	<u>162,795,801</u>

14. Unrealised gains included in endowment fund

	2022	2021
	£	£
Unrealised gains/(losses) included in the Endowment Fund		
Investment properties	3,677,000	3,527,000
Investments	<u>23,326,544</u>	<u>24,124,104</u>
Unrealised gains carried forward	<u>27,003,544</u>	<u>27,651,104</u>
Reconciliation of movements in unrealised gains in Investments		
Unrealised gains brought forward	27,651,104	2,524,807
Net gain on property revaluation	150,000	346,000
Previously recognised net (gain)/loss realised on investment disposals	(4,370,679)	3,345,066
Unrealised net gain on investment revaluation	<u>3,573,119</u>	<u>21,435,231</u>
Unrealised gains carried forward	<u>27,003,544</u>	<u>27,651,104</u>

Notes to the Financial Statements (continued)

15. Comparative Statement of Financial Activities

The Statement of Financial Activities for the year ended 31 March 2021 is shown below, in order to provide comparative figures.

	2021			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Income from				
Donations	-	318,458	-	318,458
Investments	3,252,673	14,961	-	3,267,634
Other	-	531	-	531
Total	3,252,673	333,950	-	3,586,623
Expenditure on				
Raising funds:				
Investment management fees	-	-	525,654	525,654
Charitable activities:				
General grants	1,620,060	38,369	-	1,658,429
Support of the trade	2,862,273	15,051	-	2,877,324
Total charitable activities	4,482,333	53,420	-	4,535,753
Total	4,482,333	53,420	525,654	5,061,407
	(1,229,660)	280,530	(525,654)	(1,474,784)
Transfers between funds	1,000,000	-	(1,000,000)	-
Net gains on investments	-	90,770	27,247,215	27,337,985
Net income & net movement in funds	(229,660)	371,300	25,721,561	25,863,201
Total funds brought forward	3,523,679	1,200,857	132,208,064	136,932,600
Total funds carried forward	3,294,019	1,572,157	157,929,625	162,795,801

Notes to the Financial Statements (continued)

16. Grants committed during the year

Recipient	Grant £
<u>Unrestricted funds</u>	
CHARITY COMMITTEE	
<i>General Welfare</i>	
Islington Giving	30,000
Feeding Britain	15,000
Islington Mind	3,000
Giving World, Leicestershire	3,000
Barnet Lone Parent Centre	3,000
London Football Journeys, Haringey	3,000
Separated Child Foundation, Wimbledon	3,000
Middlesex Association for the Blind	2,050
<i>General Welfare: Sub Total</i>	62,050
<i>Prisoner Resettlement</i>	
No Going Back Pan-Livery Project	50,000
Anawim	35,000
Prisoners' Advice Service	35,000
Spark Inside	35,000
Switchback	35,000
Birth Companions	30,000
Fine Cell Work	30,000
Prison Radio Association	30,000
Prison Reform Trust	30,000
Prisoners' Education Trust	30,000
Unlocked Graduates	30,000
Women In Prison	30,000
Venture Trust	21,000
Hardman Trust	20,000
Standout	20,000
Clean Break	15,000
Refugee Council	15,000
The Clink	15,000
Imagine IF	5,000
Prisoners Abroad, Islington	5,000
<i>Prisoner Resettlement: Sub Total</i>	516,000
<i>Ageing Population</i>	
Magic Me	20,000
Wiltshire Music Centre	4,000
Margaret Turner	1,500
<i>Ageing Population: Sub Total</i>	25,500

Notes to the Financial Statements (continued)

Youth

New Horizon Youth Centre	19,500
Just for Kids Law	17,000
Youth: Sub Total	36,500

Culture

National Churches Trust	50,000
The Yard Theatre, Hackney	4,000
Hackney Empire Appeal - Creative Futures	3,000
The National Youth Choirs of Great Britain	3,000
Culture: Sub Total	60,000

Total Charity Committee	700,050
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EDUCATION COMMITTEE

Primary Schools - Maths Teacher Project	50,000
The Grand Theatre Blackpool	34,960
National Literacy Trust	29,849
National Theatre	25,000
Guildhall School of Music and Drama	25,000
Duke of Edinburgh's Award Scheme	20,830
Museum of London	15,000
Pembroke College, Oxford	15,000
Royal Shakespeare Company	14,000
First Story	12,784
St Paul's Choir School	11,027
Royal National Children's SpringBoard Foundation	10,000
Pilgrims' Way School	8,000
Fulham Primary School	8,000
BMA student bursaries	2,500
Unused grants returned	(13,000)

Total Education Committee	268,950
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WARDENS

Goldsmiths' University	71,737
Goldsmiths' Craft and Design Council	53,271
Goldsmiths North	30,000
Lord Mayor's Appeal	10,000
Goldsmiths College - Bursaries	10,000
St Bart's Hospital - Bart's Heritage	10,000
Cambridge Dept. Materials Science & Metallurgy	8,400
Sheriffs' and Recorders' Fund	6,000
Vivian Watson Hatton Garden Book	6,000
Portsmouth City Council Silversmith Exhibition	5,000
Tower of London/HRP 'Superbloom' Platinum Jubilee Project	5,000
Wentworth Woodhouse - Gilding the Weather Vanes	5,000
Air Loadmaster Association	3,300
The Lord Mayor's Big Curry Lunch	3,250
Mansion House Scholarship Scheme	3,000
The Royal Choral Society	1,500
City of London Police Widows and Orphans	1,000

Notes to the Financial Statements (continued)

Platinum Jubilee Pageant	1,000
Pollinating London Together	750
City Giving Day - Tour de City	550
Campaign Against Living Miserably	500
Wax Chandlers Charitable Trust	120
Grants written back	(7,200)
Total Wardens	228,178
SUPPORT OF THE CRAFT (including Covid-19 Fund)	
The Goldsmiths' Centre	1,774,000
Apprentice Retention Grants	3,000
Global Majority Project Grants	36,748
Total Support of the Craft	1,813,748
Restricted Funds	
Members' Charitable Fund	
Business Growth Grants	16,000
Flourish Jewellery CIC	11,600
Creative Dimension Trust	6,000
Foundation Programme Grants	3,000
The Goldsmiths' Centre - Access Fund	718
Careers Outreach Grants	300
1327 Members' Charitable Partnerships Scheme	
Disasters Emergency Committee - Ukraine Humanitarian Appeal	50,000
Just Learn	3,000
Marie Curie	1,327
The Milner Fund	
South Yorkshire Police Bravery Awards	3,819
Sir Martin Bowes Charity	
HomeStart Greenwich	6,500
HER Centre	6,500
Greenwich Refugee Aid	6,500
Total Restricted Funds	115,264
TOTAL GRANTS PAID	3,126,190