

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**REPORT AND ACCOUNTS
YEAR ENDED 31 JULY 2019**

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**GENERAL INFORMATION
YEAR ENDED 31 JULY 2019**

TRUSTEE: The Worshipful Company of Blacksmiths

SECRETARY: Ms J Moffatt

ADDRESS: 9 Little Trinity Lane
London
EC4V 2AD

BANKERS: HSBC Bank Plc
1 - 3 Bishopsgate
London
EC2N 3AQ

Cafcash Ltd
Kingshill
West Malling
Kent
ME19 4TA

INDEPENDENT EXAMINER: Graham Atkin FCA
Leonard House
5-7 Newman Road
Bromley
Kent
BR1 1RJ

**INVESTMENT
MANAGERS:** M&G Securities Ltd
P O Box 9038
Chelmsford
Essex CM99 2XF

SOLICITORS: Pinsent Masons
30 Aylesbury Street
London
EC1R 0ER

CHARITY NUMBER: 216614

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST
REPORT OF THE TRUSTEE
YEAR ENDED 31 JULY 2019**

1.

STRUCTURE MANAGEMENT AND GOVERNANCE

CONSTITUTION

The Charitable Trust of The Worshipful Company of Blacksmiths is constituted by a Declaration of Trust dated 4 April 1957 and was registered on 29th September 1988 with the Registration number 216614.

TRUSTEE

The Worshipful Company of Blacksmiths is the Trustee of the Trust. Four Wardens, in accordance with the successive Charters granted to the Company, control the affairs of the Company.

INVESTMENT POWERS

The investment powers of the Trust are set out in the Trust Deed which permits the Trustee to acquire and dispose of investments as it, in its absolute discretion, thinks fit.

MANAGEMENT OF THE TRUST

In accordance with the Court resolution of 5 July 2001 the following were appointed members of the Charity Committee:

Nigel Baldwin Whitehead	Past Prime Warden	Chairman
Jillian Deborah Cerey Moffatt	The Learned Clerk	Secretary
Frances Elaine Coulson	Liveryman	
Jane Elizabeth Davis OBE QVRM DL	Liveryman	
Dean Hollington	Liveryman	
Peter Giles Hurford OBE	Liveryman	
Christopher Rowland Jeal	Liveryman	
Leslie Morgan OBE DL	Liveryman	
Hector Ian Samuel Robb	Liveryman	

OBJECTS AND ACTIVITIES

The Trustee has the power to apply the funds of the Charitable Trust for the benefit of such charitable institutions or charitable objects as it, in its absolute discretion, thinks fit.

Over the life of the Trust this has evolved into a programme of providing Bursaries for student blacksmiths, the support of charities related to the City of London (the 'standing' list – see page 8); charitable beneficiaries proposed by the Prime Warden and other charitable causes.

In assessing applicants for Bursaries the report from the tutor, the student's comments and photographs of their work are taken into consideration. An interview with the applicant may be requested.

All charitable appeals are considered by the members of the Charity Committee. If perceived to be worthy, and funds are available, they may decide to offer support particularly if there is an underlying element relevant to the art and mystery of blacksmithing.

The members of the Charity Committee do not anticipate recommending any significant change in objectives or operation to the Wardens.

The Court elects the Chairman of the Charity Committee each year. In conjunction with the Prime Warden he nominates members of the Committee. They are selected to provide a balance between Members of the Court and the Livery because of their individual professional or background skills.

The Committee generally meets three times each year and conducts the affairs of the Trust on behalf of the Wardens, in accordance with the Terms of Reference agreed at their Court meeting on 23rd November 2006.

PUBLIC BENEFIT

The trust receives many appeals each year. These come from a wide range of organisations, seeking funding for their own projects or from agencies that support individuals. Assistance may be given to individuals where one person, and potentially their family, may benefit or through a wider group achieved through the improvement of facilities or services offered by organisations.

Bursaries are given to students training to become a blacksmith and they are encouraged to approach the Trust for help after training, if they feel the need.

The Trustee believes that public benefit is secured through the grant and bursary procedures that are operated and assist, directly or indirectly, a wide range of people.

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST
REPORT OF THE TRUSTEE (Continued)
YEAR ENDED 31 JULY 2019**

2.

FINANCIAL REVIEW

YEAR ENDED 31 JULY 2019

The members of the Charity Committee, as authorised by the Trustee, contributed to various charitable organisations during the year. The total amount paid by way of charitable donations, grants and bursaries was £29,300 (2018: £21,475).

During the year the Trustee made bursary payments to students at the National School of Blacksmithing, which is part of Herefordshire College of Technology. Students at Plumpton College also received Bursary payments.

The initial payment of 50% is made upon the award of the Bursary. The final payment is dependent upon the Committee receiving independent confirmation that the students maintained a high standard of work and attended the course regularly.

The total amount due to be paid in bursaries was £14,050 (2018: £11,125).

ASSET COVER FOR FUNDS

On behalf of the Trustee the members of the Charity Committee confirm that assets are available and adequate to meet the obligations of the charity.

RESERVES POLICY

Reserves of the charity are held and invested to generate income to support the charity's objectives.

RISK ASSESSMENT

The Prime Warden, on behalf of his fellow Wardens, attends meetings of the Charity Committee. The record of decisions made at meetings is circulated to the members of the Charity Committee and the Wardens. It is considered at the Quarterly meeting of the Court of Wardens and Assistants when the Chairman may be asked questions.

The authorisation of payments is subject to the same controls as for the assets of the General Fund of The Worshipful Company of Blacksmiths.

The long-term assets are invested in M&G Charifund and M&G Charibond units. The members of the Finance Committee monitor the performance of these investments and report to the members of the Charity Committee and the Wardens on a regular basis.

THE FUTURE

Bursary payments are made possible by the generosity of individuals, within and outside The Worshipful Company of Blacksmiths, who believe in the need to support and encourage students of the craft.

The Wardens appreciate that the minimum level of assets for The Charitable Trust of a newly established Livery Company is £350,000 and have therefore set that figure as the target for the asset value. In making this statement the Wardens appreciate that variations in Stock Market valuations may mean that this figure is not consistently achieved. They note that at 31 July 2019 the net asset value of the Unrestricted Fund was £431,278 (2018: £440,963).

The members of the Charity Committee are seeking to increase the capital held in the Education Fund of the Trust. Donors are encouraged to enter a long-term commitment and to take advantage of the provisions of the Gift Aid regulations to enhance the value to the Trust of their donations. Such contributions are held in the Education Fund which is a restricted fund.

THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST
REPORT OF THE TRUSTEE (Continued)
YEAR ENDED 31 JULY 2019

3.

**STATEMENT OF THE CHARITY COMMITTEE'S RESPONSIBILITIES
FOR THE ACCOUNTS**

Law applicable to charities in England and Wales requires Trustees to prepare accounts for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.


In preparing accounts that give a true and fair view, Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charity will be able to continue in operation.

Trustees are responsible for keeping accounting records which disclose, with reasonable accuracy, the financial position of the charity at any time and which enable them to ascertain the financial position of the charity and ensure that the accounts comply with the SORP 2005 and the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of error, fraud or other irregularities.

The members of the Charity Committee, on behalf of The Worshipful Company of Blacksmiths, oversee these requirements.

Approved by the Chairman of the Charity Committee, for the members of the Committee, on behalf of the Trustee on 21 May 2020 and signed on their behalf:


N B Whitehead - Chairman of the Charity Committee

Approved by the Court of Wardens on 21 May 2020 and signed on behalf of The Worshipful Company of Blacksmiths:


Dr Nicholas Land - Prime Warden

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEE OF
THE WORSHIPFUL COMPANY OF BLACKSMITHS CHARITABLE TRUST
FOR THE YEAR ENDED 31 JULY 2019**

4.

Independent examiner's report to the trustees of The Worshipful Company of Blacksmiths Charitable Trust

I report to the charity trustees on my examination of the accounts of The Worshipful Company of Blacksmiths Charitable Trust for the year ended 31 July 2019.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.


Graham Atkin FCA
Crane & Partners

Chartered Accountants
Registered Auditors

Leonard House
5-7 Newman Road
Bromley
Kent
BR1 1RJ
21 May 2020

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JULY 2019**

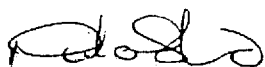
	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2019 £	Total Funds 2018 £
INCOME FROM		£	£	£	£
Voluntary income	3	887	13,265	14,152	40,108
Investment income	4	17,904	195	18,099	18,726
Other income	5	-	5,000	5,000	2,000
TOTAL		18,791	18,460	37,251	60,834
EXPENDITURE ON					
Charitable activities					
Charitable donations and grants	6	15,250	14,050	29,300	21,475
Operational activities	7	6,040	-	6,040	6,191
TOTAL		21,290	14,050	35,340	27,666
NET INCOME		(2,499)	4,410	1,911	33,168
Gains/(losses) on investment assets		(7,186)	56	(7,130)	447
Net movement in funds		(9,685)	4,466	(5,219)	33,615
Fund balances brought forward		440,963	72,444	513,407	479,792
Fund balances carried forward		431,278	76,910	508,188	513,407

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**BALANCE SHEET
AS AT 31 JULY 2019**

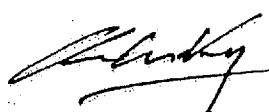
	Notes	2019 £	2018 £
FIXED ASSETS			
Investments	8	436,655	443,784
CURRENT ASSETS			
Debtors	9	4,913	2,413
Cash at bank and in hand		<u>75,060</u>	<u>84,415</u>
		79,973	86,828
LESS CURRENT LIABILITIES			
Creditors - amounts falling due within one year	10	<u>8,440</u>	<u>17,205</u>
NET CURRENT ASSETS		<u>71,533</u>	<u>69,623</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>508,188</u></u>	<u><u>513,407</u></u>
FUNDS			
Unrestricted fund			
General purpose fund		431,278	440,963
Restricted fund			
Scottish bequest	12	14,000	14,000
Education and training fund	12	51,740	47,525
Gabriel Masterclass	12	<u>11,170</u>	<u>10,919</u>
		<u>76,910</u>	<u>72,444</u>
		<u><u>508,188</u></u>	<u><u>513,407</u></u>

Approved by the Wardens of The Worshipful Company of Blacksmiths



Dr N M Land, Prime Warden

Date: 21 May 2020



A J N King, Renter Warden

Date: 21 May 2020

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS
YEAR ENDED 31 JULY 2019**

1 Accounting policy

These accounts have been prepared on the historical cost basis and in accordance with applicable accounting standards modified by the revaluation of investments. The financial statements have been prepared in accordance with the Standard of Recommended Practice (SORP) - 'Accounting for Charities' and the Charities

1.1 Investments

Investments are revalued at the market value as at the balance sheet date and the surplus or deficit of this revaluation is included within gains/losses on investment assets on the face of the Statement of Financial Activities. Realised gains and losses are also included in gains/losses on investment assets which represent the difference between the sale proceeds and the opening market value of an investment or cost if acquired during the year.

1.2 Voluntary income

Income is accounted for on a cash basis unless it is certain that the income is going to be received, in which case it is accrued for.

1.3 Investment income

Investment income including bank interest is accounted for on an accruals basis.

1.4 Charitable activities

Contained within direct charitable expenditure are all costs which are directly attributable to the objects of the charity.

1.5 Governance costs

Governance costs are those incurred in connection with the charity's administration and compliance with constitutional and statutory requirements.

1.6 Restricted funds

These are monies where donors have specified that the funds can only be spent on specific charitable activities.

2 Trustee

No remuneration was paid to the Trustee and no expenses were reimbursed during the current or the preceding year.

3 Voluntary income

	2019		2018	
	£	£	£	£
Donations				
During the year the following donations were received				
to restricted funds				
Education and training gift aid	10,765		11,994	
Taxation recoverable on gift aid	2,500		2,413	
	<u> </u>	13,265	<u> </u>	14,407
to unrestricted funds				
Donation from Clifford Champion Trust	-		24,766	
Donations	887		935	
	<u> </u>	887	<u> </u>	25,701
		<u>14,152</u>		<u>40,108</u>

4 Investment income

	2019	2018
	£	£
Investment income	17,973	18,699
Bank interest	126	27
	<u>18,099</u>	<u>18,726</u>

5 Other income

	2019	2018
	£	£
Leslie Morgan Legacies	5,000	-
Betty Hitchings Legacy	-	2,000
	<u>5,000</u>	<u>2,000</u>

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS (Continued)
YEAR ENDED 31 JULY 2019**

6 Charitable donations and grants	2019 £	2018 £
Unrestricted funds		
Standing donations		
Blacksmiths Guild	500	750
City and Guilds	250	250
City of London Police Widows & Widowers Fund	150	150
Elworthy Sword Trophy Competition	700	700
Guildhall Library	250	250
Lord Mayor's appeal	1,500	1,500
Royal British Legion: City of London Branch	250	250
Sheriffs' and Recorder's Fund	250	250
Sons of the Clergy	150	150
St. Andrew by the Wardrobe	300	300
St. Paul's Cathedral	500	500
Treloar Trust	300	300
Trustees of the United Guilds	150	150
Whizz Kids	200	200
	<u>5,450</u>	<u>5,700</u>
Other appeals		
British Red Cross	-	250
Build Up	500	-
Demelza Life	500	-
James Crampton	300	-
Individual benevolence grant	5,000	-
MQ	-	250
Oasis Play	250	250
Royal Navy & Royal Marines Charity	250	-
Sea Scouts	250	-
The Officers Association	-	250
Tower Hamlet Friends and Neighbours	250	250
	<u>7,300</u>	<u>1,250</u>
Dr Robin McNeill Love (Prime Warden) Recommended Charity List		
Headway East London	-	250
Real Action	-	1,000
St. Raphael's Hospice	-	750
Society of Ragamuffins	-	250
Wessex Blacksmiths Guild	-	250
Medecins sans Frontieres (UK)	500	-
The Welsh Guards Lt Col Central Fund / Charity	500	-
The Coldstream Guards Charitable Funds	500	-
Humanitarian Aid Relief Trust (HART)	500	-
Adventure Plus	500	-
	<u>2,500</u>	<u>2,500</u>
Total payments from unrestricted funds	<u>15,250</u>	<u>9,450</u>

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS (Continued)
YEAR ENDED 31 JULY 2019**

6 Charitable donations and grants (Cont.)	2019	2018
	£	£
Total payments from unrestricted funds	<u>15,250</u>	<u>9,450</u>
Restricted funds		
Education and training bursaries	14,050	11,125
Grants	-	500
Gabriel Masterclass	<u>-</u>	<u>400</u>
Total payments from restricted funds	<u>14,050</u>	<u>12,025</u>
Total payments	<u><u>29,300</u></u>	<u><u>21,475</u></u>
7 Operational activities	2019	2018
	£	£
Secretary stipend	4,000	4,000
Accountancy	1,260	1,260
Independent Examiner's report	780	780
Printing, postage and stationery	<u>-</u>	<u>151</u>
	<u><u>6,040</u></u>	<u><u>6,191</u></u>
8 Investments	2019	2018
	£	£
Historical cost of investments	<u>350,000</u>	<u>350,000</u>
Market value of investments	<u>436,655</u>	<u>443,784</u>
Deficit on disposals during the year	<u><u>-</u></u>	<u><u>-</u></u>
9 Debtors	2019	2018
	£	£
Tax recoverable	4,913	2,413
	<u><u>4,913</u></u>	<u><u>2,413</u></u>
10 Creditors		
Accruals	7,740	10,580
Bursaries	<u>700</u>	<u>6,625</u>
	<u><u>8,440</u></u>	<u><u>17,205</u></u>

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS (Continued)
YEAR ENDED 31 JULY 2019**

11 Summary of net assets by funds

	Unrestricted funds		Restricted funds		
	General purposes	Education & training	Gabriel Masterclass	Scottish Bequest	Total
	£	£	£	£	£
Investments	427,952	-	8,703	-	436,655
Debtors	4,913	-	-	-	4,913
Cash at bank	6,153	52,440	2,467	14,000	75,060
Creditors	(7,740)	(700)	-	-	(8,440)
Fund balance	431,278	51,740	11,170	14,000	508,188

Scottish bequest

A bequest made by Miss Janet I Fletcher is for the benefit of spinster daughters over 60, of blacksmiths, practising and Livery, in necessitous circumstances.

Education and training

The funds are to be used to benefit students of blacksmithing.

Gabriel Masterclass

The Gabriel family donated the sum of £8,000, the interest on which is intended to meet the expenses of a Master Blacksmith to provide a masterclass in aspects of the craft for young blacksmiths.

It will also be used to defray the expenses of those blacksmiths attending.

12 Funds

	Balance 01.08.18	Movements in Funds			Balance 31.07.19
		Incoming Resources	Resources Expended	Movement In Investments	
	£	£	£	£	£
Restricted funds					
Education and Training	47,525	18,265	(14,050)	-	51,740
Scottish Bequest	14,000	-	-	-	14,000
Gabriel Masterclass	10,919	195	-	56	11,170
<i>Total restricted funds</i>	72,444	18,460	(14,050)	56	76,910
Unrestricted funds					
General Fund	440,963	18,791	(21,290)	(7,186)	431,278
Total Funds	513,407	37,251	(35,340)	(7,130)	508,188

The balance on these funds is represented by the assets and liabilities of the Charity and an analysis of these assets and liabilities between restricted and unrestricted funds is shown in note 11.

**THE WORSHIPFUL COMPANY OF BLACKSMITHS
CHARITABLE TRUST**

**NOTES TO THE ACCOUNTS (Continued)
YEAR ENDED 31 JULY 2019**

13 Restricted funds

	2019		2018	
	£	£	£	£
Education and training fund				
Balance brought forward		47,525		42,743
Income:				
Education and training gift aid	10,765		11,994	
Legacies	5,000		2,000	
Tax recoverable	2,500		2,413	
	<u>18,265</u>		<u>16,407</u>	
		65,790		59,150
Expenditure:				
Herefordshire College of Technology	7,600		7,750	
Plumpton College	7,400		5,750	
Unclaimed bursaries	(950)		(2,375)	
Grants	-		500	
	<u>(14,050)</u>		<u>(11,625)</u>	
Balance carried forward		51,740		47,525
Scottish bequest				
Balance brought forward and carried forward		14,000		14,000
Gabriel Masterclass				
Balance brought forward	10,919		11,347	
Investment income	195		289	
Movement in investments	56		(317)	
Masterclass	-		(400)	
Balance carried forward	<u>11,170</u>		<u>10,919</u>	
Total		<u>76,910</u>		<u>72,444</u>