

PAINTERS' COMPANY CHARITIES
Unaudited Financial Statements
30 September 2019

AGGARWAL & CO LTD

Chartered accountants
3-5 London Road
Rainham
Kent
ME8 7RG

PAINTERS' COMPANY CHARITIES

Financial Statements

Year ended 30 September 2019

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PAINTERS' COMPANY CHARITIES

Trustees' Annual Report

Year ended 30 September 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 30 September 2019.

Reference and administrative details

Registered charity name	PAINTERS' COMPANY CHARITIES
Charity registration number	1135314
Principal office	Painters' Hall 9 Little Trinity Lane London EC4V 2AD

The trustees

J R F Lee
A J Ward
J E C Briant
Dr I Rowley
S J Lansley
General Sir Roger Wheeler

Independent examiner	Mr R Abel 3-5 London Road Rainham Kent ME8 7RG
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Structure, governance and management

A Board of Trustees of up to seven members meet regularly to administer the Charity.

Trustees are appointed either by virtue of their office or by the court of The Worshipful Company of Painter-Stainers.

The Painters' Company Charities is constituted under a Trust Deed dated 22 February 2010 and is a Registered Charity, Number 1135314.

PAINTERS' COMPANY CHARITIES

Trustees' Annual Report *(continued)*

Year ended 30 September 2019

Objectives and activities

The objects of the Charity are the advancement of education and relief of poverty through making grants to appropriate individuals and in particular:

- 1 such charitable purposes as may be associated or connected with the City of London.
- 2 The encouragement, support and promotion by way of financial support, education and public display of British arts and crafts to include the trades of painting and decorating.
- 3 The relief of blindness and other visual handicaps and the assistance of the blind and visually impaired.
- 4 The relief of poor clergy of the Church of England.
- 5 The relief of poor, disabled or invalid liverymen and freemen of the Company and their spouses, widows or widowers.

The Trustees shall not be at liberty to pay or apply hereunder the capital of any donation which the trustees shall have accepted subject to a direction by the donor that the capital be not expended.

The Charity has complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to guidance published by the Charity Commission with regard to a public benefit statement, by continuing to provide grants, bursaries and donations as outlined in the Charity's objectives.

Achievements and performance

During the year the Charity has continued to carry out its objectives.

With the approval of the Charity Commission this charity encompasses the Painters Company Charity, John Stock Poor Curates, John Stock Blind Fund which included the former John Stock Capital Fund, the John Stock Income Fund, the Jane Shank, the Mary Grainger, the Smith Yeates Syddall, the Captain Bertram Funds, John Stock Fund for Decayed Liverymen together with the Fiarchild, Nott and Taylor Funds. All of the assets of the above are held within Painters' Company Charities.

The incoming resources for the year ended 30 September 2019 amounted to £429,642, which includes the amalgamation of the above mentioned charities.

Educational grants and donations during the year ended 30 September 2019 totalled £71,005 of which £4,400 has been paid to individuals, £15,105 as a Grant to the Lynn Painter-Stainers Prize and the balance has been paid to institutions for distribution to identified individuals.

As a result of the above, the net incoming resources before other recognised gains and losses totalled £355,324 surplus.

Financial review

The Trustees, in general intend to maintain the current level of unrestricted income funds and spend the annual incoming surplus on charitable activities.

PAINTERS' COMPANY CHARITIES

Trustees' Annual Report *(continued)*

Year ended 30 September 2019

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

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

- " select suitable accounting policies and then apply them consistently;
- " observe the methods and principles in the applicable Charities SORP;
- " make judgments and accounting estimates that are reasonable and prudent;
- " prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Dr I Rowley
Trustee

A J Ward
Trustee

PAINTERS' COMPANY CHARITIES

Independent Examiner's Report to the Trustees of PAINTERS' COMPANY CHARITIES

Year ended 30 September 2019

I report to the trustees on my examination of the accounts of Painters' Company Charities ('the Trust') for the year ended 30 September 2019 which are set out on pages 5 to 16.

Responsibilities and basis of report

As the 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 Trustee's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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 charity 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr R Abel
Aggarwal & Co Ltd
Chartered Accountants
Independent Examiner

3-5 London Road
Rainham
Kent
ME8 7RG

PAINTERS' COMPANY CHARITIES

Statement of Financial Activities

Year ended 30 September 2019

		2019			2018
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	375,470	—	—	375,470
Investment income	5	54,172	—	—	54,172
Total income		<u>429,642</u>	<u>—</u>	<u>—</u>	<u>429,642</u>
Expenditure					
Expenditure on charitable activities	6,7	69,318	5,000	—	74,318
Total expenditure		<u>69,318</u>	<u>5,000</u>	<u>—</u>	<u>74,318</u>
Net losses on investments	9	(10,472)	—	—	(10,472)
Gains/(losses) on impairment or disposal of operations		44,998			44,998
Net income/(expenditure) and net movement in funds		<u>394,850</u>	<u>(5,000)</u>	<u>—</u>	<u>389,850</u>
Reconciliation of funds					
Total funds brought forward		1,285,308	30,000	85,000	1,400,308
Total funds carried forward		<u>1,680,158</u>	<u>25,000</u>	<u>85,000</u>	<u>1,790,158</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements.

PAINTERS' COMPANY CHARITIES

Statement of Financial Position

30 September 2019

	Note	2019 £	2018 £
Fixed assets			
Heritage assets	12	85,000	85,000
Investments	13	1,651,254	1,283,219
		<u>1,736,254</u>	<u>1,368,219</u>
Current assets			
Debtors	14	21,303	18,206
Cash at bank and in hand		39,459	20,967
		<u>60,762</u>	<u>39,173</u>
Creditors: amounts falling due within one year	15	6,858	7,084
Net current assets		<u>53,904</u>	<u>32,089</u>
Total assets less current liabilities		<u>1,790,158</u>	<u>1,400,308</u>
Net assets		<u>1,790,158</u>	<u>1,400,308</u>
Funds of the charity			
Endowment funds		85,000	85,000
Restricted funds		25,000	30,000
Unrestricted funds		1,680,158	1,285,308
Total charity funds	16	<u>1,790,158</u>	<u>1,400,308</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Dr I Rowley
Trustee

The notes on pages 7 to 14 form part of these financial statements.

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Painters' Hall, 9 Little Trinity Lane, London, EC4V 2AD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. It is a small charity as defined by SORP 2015 (FRS102). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Endowment funds are the result of The Bennett Bequest representing three Charles II silver tankards which are included at the valuation obtained by the previous charity.

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Heritage assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Where information on the cost or value of an asset is not available and cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements, the asset shall not be recognised in the statement of financial position.

Investments

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Donations				
Donations	24,074	24,074	12,560	12,560
Tax recovered on gift aid	1,396	1,396	1,551	1,551
Legacies				
Arnold Stevenson Legacy	350,000	350,000	—	—
	<u>375,470</u>	<u>375,470</u>	<u>14,111</u>	<u>14,111</u>

5. Investment income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Income from cash investments	53,402	53,402	54,778	54,778
Bank interest receivable	770	770	15	15
	<u>54,172</u>	<u>54,172</u>	<u>54,793</u>	<u>54,793</u>

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Charitable activities	66,143	5,000	71,143
Support costs	3,175	—	3,175
	<u>69,318</u>	<u>5,000</u>	<u>74,318</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Charitable activities	55,206	5,000	60,206
Support costs	2,782	—	2,782
	<u>57,988</u>	<u>5,000</u>	<u>62,988</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2019 £	Total fund 2018 £
Charitable activities	138	26,005	—	26,143	25,206
Governance costs	—	—	3,175	3,175	2,782
	<u>138</u>	<u>26,005</u>	<u>3,175</u>	<u>29,318</u>	<u>27,988</u>

8. Analysis of grants

	2019 £	2018 £
Grants to institutions		
Grants to institutions	45,000	35,000
Other Grants and donations	1,500	3,000
Grant Lynn Painter-Stainers Prize	15,105	14,968
	<u>61,605</u>	<u>52,968</u>
Grants to individuals		
Grants to individuals	4,400	2,100
Grants Botting Prize	5,000	5,000
	<u>9,400</u>	<u>7,100</u>
Total grants	<u>71,005</u>	<u>60,068</u>

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

9. Net losses on investments

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/(losses) on listed investments	<u>(10,472)</u>	<u>(10,472)</u>	<u>—</u>	<u>—</u>

10. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>600</u>	<u>600</u>

11. Trustee remuneration and expenses

No salaries, wages, benefits or expenses have been paid to the trustees during the year.

12. Heritage assets

The Bennett Bequest represents three Charles II silver tankards which are included at the valuation obtained by the previous charity.

	The Bennett Bequest £
Cost or valuation At 1 October 2018 and 30 September 2019	<u>85,000</u>
Accumulated depreciation At 1 October 2018 and 30 September 2019	<u>—</u>
Carrying amount At 30 September 2019	<u>85,000</u>
At 30 September 2018	<u>85,000</u>

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

13. Investments

	Cash or cash equivalents £
Cost or valuation	
At 1 October 2018	1,283,219
Additions	1,606,256
Disposals	(1,283,219)
Fair value movements	44,998
At 30 September 2019	<u>1,651,254</u>
Impairment	
At 1 October 2018 and 30 September 2019	
Carrying amount	
At 30 September 2019	<u>1,651,254</u>
At 30 September 2018	<u>1,283,219</u>

All investments shown above are held at valuation.

14. Debtors

	2019 £	2018 £
Prepayments and accrued income	—	624
Other debtors	21,303	17,582
	<u>21,303</u>	<u>18,206</u>

15. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	741	681
Accruals and deferred income	2,194	2,280
Other creditors	3,923	4,123
	<u>6,858</u>	<u>7,084</u>

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

16. Analysis of charitable funds

Unrestricted funds

	At 1 October 2018 £	Income £	Expenditure £	Gains and losses £	At 30 September 2019 £
General funds	<u>1,285,308</u>	<u>429,642</u>	<u>(69,318)</u>	<u>34,526</u>	<u>1,680,158</u>

	At 1 October 2017 £	Income £	Expenditure £	Gains and losses £	At 30 September 2018 £
General funds	<u>1,328,561</u>	<u>68,904</u>	<u>(57,988)</u>	<u>(54,169)</u>	<u>1,285,308</u>

Restricted funds

	At 1 October 2018 £	Income £	Expenditure £	Gains and losses £	At 30 September 2019 £
Brian Botting Prize	<u>30,000</u>	<u>—</u>	<u>(5,000)</u>	<u>—</u>	<u>25,000</u>

	At 1 October 2017 £	Income £	Expenditure £	Gains and losses £	At 30 September 2018 £
Brian Botting Prize	<u>35,000</u>	<u>—</u>	<u>(5,000)</u>	<u>—</u>	<u>30,000</u>

Brian Botting, Master of the Painter-Stainers' Company from 2003-04, died on 14 January 2014 and in his will he bequeathed £50,000 to the Painters Company charities to establish the Brian Botting prize for figurative drawing.

In discussion with his executors it was agreed to award an annual prize of £5,000 to an artist aged 30 or under for an outstanding drawing of the human form.

Endowment funds

	At 1 October 2018 £	Income £	Expenditure £	Gains and losses £	At 30 September 2019 £
Permanent Endowment Fund	<u>85,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>85,000</u>

	At 1 October 2017 £	Income £	Expenditure £	Gains and losses £	At 30 September 2018 £
Permanent Endowment Fund	<u>85,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>85,000</u>

PAINTERS' COMPANY CHARITIES

Notes to the Financial Statements *(continued)*

Year ended 30 September 2019

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Heritage assets	–	–	85,000	85,000
Investments	1,626,254	25,000	–	1,651,254
Current assets	60,762	–	–	60,762
Creditors less than 1 year	(6,858)	–	–	(6,858)
Net assets	1,680,158	25,000	85,000	1,790,158

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Heritage assets	–	–	85,000	85,000
Investments	1,253,219	30,000	–	1,283,219
Current assets	39,173	–	–	39,173
Creditors less than 1 year	(7,084)	–	–	(7,084)
Net assets	1,285,308	30,000	85,000	1,400,308

18. Related party transactions

The charity is owed £19,907 from The Worshipful Company of Painter-Stainers at 30 September 2019 (2018 - £16,031), an entity under the same control as the Painters' Company Charities.

PAINTERS' COMPANY CHARITIES

Management Information

Year ended 30 September 2019

The following pages do not form part of the financial statements.

PAINTERS' COMPANY CHARITIES

Detailed Statement of Financial Activities

Year ended 30 September 2019

	2019 £	2018 £
Income and endowments		
Donations and legacies		
Donations	24,074	12,560
Tax recovered on gift aid	1,396	1,551
Arnold Stevenson Legacy	350,000	–
	<u>375,470</u>	<u>14,111</u>
Investment income		
Income from cash investments	53,402	54,778
Bank interest receivable	770	15
	<u>54,172</u>	<u>54,793</u>
Total income	<u>429,642</u>	<u>68,904</u>
Expenditure		
Expenditure on charitable activities		
Insurance	138	138
Legal and professional fees	2,430	2,420
Other expenses	745	362
Grant for Educational Purposes – Institutions	45,000	35,000
Grant for Educational Purposes - Individuals	4,400	2,100
Botting Prize Grant	5,000	5,000
Other Grants and Donations	1,500	3,000
Grant Lynn Painter-Stainer Prize	15,105	14,968
	<u>74,318</u>	<u>62,988</u>
Total expenditure	<u>74,318</u>	<u>62,988</u>
Net losses on investments		
Gains/(losses) on listed investments	(10,472)	–
Gains/(losses) on impairment or disposal of operations		
Gains/(losses) on impairment or disposal of operations	<u>44,998</u>	<u>(54,169)</u>
Net income/(expenditure)	<u>389,850</u>	<u>(48,253)</u>

PAINTERS' COMPANY CHARITIES

Notes to the Detailed Statement of Financial Activities

Year ended 30 September 2019

	2019 £	2018 £
Expenditure on charitable activities		
Activity type 1		
<i>Activities undertaken directly</i>		
Direct charitable activity 1 - insurance	138	138
	<u> </u>	<u> </u>
<i>Grant funding activities</i>		
Grant for Educational Purposes - Institutions	45,000	35,000
Grant for Educational Purposes - Individuals	4,400	2,100
Grant for Educational Purposes - Botting Prize	5,000	5,000
Other Grants and Donations	1,500	3,000
Grant Lynn Painter-Stainers Prize	15,105	14,968
	<u>71,005</u>	<u>60,068</u>
Governance costs		
Governance costs - accountancy fees	2,429	2,420
Governance costs - other expenses	746	362
	<u>3,175</u>	<u>2,782</u>
	<u> </u>	<u> </u>
Expenditure on charitable activities	<u>74,318</u>	<u>62,988</u>
