

Report and Financial Statements

For the year ended 31st July 2020

The Guildhall School Trust

Company limited by guarantee
registration number 04041975
(England and Wales)

Charity registration number 1082472

Administrative information for the year ended 31 July 2020

President

The Rt Hon The Lord Mayor

Trustees

Deborah Lincoln (appointed March 2020; Chair from June 2020)

Martin Moore (Chair, until June 2020)

Stephen Bland

Neil Constable (appointed March 2020)

David Graves

Lew Hodges

Michael Hoffman (until June 2020)

Gillian Laidlaw (appointed March 2020)

Vivienne Littlechild

Howard Ricklow (appointed March 2020)

Melissa Scott

Lynne Williams

Sub Committees

Investment Sub Committee

Tim Pethybridge (former Trustee & Co-opted Chair)

Martin Moore (until June 2020)

Finance Sub Committee

Lew Hodges (Chair)

Martin Moore (until June 2020)

Company Secretary

Rachel Davis

Company Registration Number

04041975

Registered Charity Number

1082472

Principal Address

c/o Guildhall School of Music & Drama

Silk Street

London EC2Y 8DT

Auditor

Buzzacott LLP

130 Wood Street

London EC2V 6DL

Bankers

Barclays Bank plc

54 Lombard Street

London EC3P 3AH

Investment Managers

Cazenove Capital

100 Wood Street

London EC2V 7ER

Sarasin & Partners LLP

Juxon House

100 St Pauls Churchyard

London EC4M 8BU

Solicitors

Bates Wells

10 Queen Street Place

London EC4R 1BE

Governing Document

Articles of Association

The Guildhall School Trust

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Chair's Foreword



As we reflect on, and continue to adjust to these unprecedented times, I am immensely proud of everything that has been achieved in support of Guildhall School and its talented young musicians, actors and production artists.

The Trust has long enjoyed a close relationship with the School and this year, we will again be building on those solid foundations to further the world-class artistic endeavours of this extraordinary international community.

We will be continuing our flagship commitment to the School's scholarship programme, contributing essential support for over half of students at both undergraduate and postgraduate level, in addition to the provision of awards for under 18's. As the School continues to focus on diversifying its talent base, such support is more important than ever before. The Trust also provides financial support to enable the School to

fulfil its mission to deliver truly distinctive higher education training, nurture the development of artistic citizens, and lead lasting cultural change in society through research and knowledge exchange.

Our ability to support the School's work is only possible thanks to a fantastic group of supporters, including individuals, livery companies, trusts, foundations, companies and other grant makers. Their support and enthusiasm has seen projects like the new Vocal Masterclass Series and enhanced chamber music provision and Jazz outreach programme come to life, enabling the School to fulfil its commitment to provide students with excellent coaching at the highest level.

Since our last annual report, I'm delighted to welcome new Trustees Neil Constable, Gillian Laidlaw and Howard Ricklow, already long-term supporters of the School, and I'm thrilled to have joined alongside them in March. This year also saw the retirement from the Board of Michael Hoffman and Martin Moore. I thank them for their dedication over many years to the Trust's activities in support of the School, and would like to put on record the appreciation of the whole Board to Martin Moore for his significant contribution as Chair of the Trust in the last four years.

Finally, I would like to express my gratitude again to all those who have helped to make it another strong year for the Trust - our valued supporters, funders and community partners, my fellow Trustees, the Guildhall School, led by the exceptional Lynne Williams, their dedicated Development Team and the amazing students who inspire us.

Music and the dramatic arts have the power to transform lives. By adding your support, together we can help even more talented young artists of every background to take up the exceptional training offered by the School and enable them to fulfil their artistic potential.

Deborah Lincoln, Chair of the Board of Trustees

Report of the Trustees

Incorporating the Directors' report for the year ended 31 July 2020

The Trustees (who are also directors of The Guildhall School Trust for the purpose of company law), present their report and audited financial statements for the year ended 31 July 2020. They have been prepared in accordance with the accounting policies set out in note 1 of the Financial Statements and comply with The Guildhall School Trust Articles of Association. They also comply with applicable charity laws and recommended practice (FRS102 and the Charities SORP).

Structure, management and governance

The governing documents and constitution of the charity

The Guildhall School Trust (the Trust) is a charitable company limited by guarantee, incorporated in July 2000 and registered as a charity in September 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Trust Corporation status was approved in February 2019.

The Trust's Objects are:

- to advance the education of students and prospective students of the Guildhall School of Music & Drama in music or drama (including stage management and related production and design) and any other object considered by the Trustees to be beneficial to the promotion of music and drama (including stage management and related production and design) at the Guildhall School; and
- to support any charitable purpose in which the Guildhall School or any student may engage, and which promotes music or drama (including stage management and related production and design).

The Trust fulfils these Objects by making grants to the School. All grants approved during the year were for the furtherance and enhancement of educational activities at Guildhall School of Music & Drama in line with the Objects.

The Board of Trustees

The Trustees who served during the year to 31 July 2020 and to the date of approval of these accounts, are listed on page 1.

The company's Articles of Association provide that the following shall be *ex officio* Trustees:

- the Principal of the School
- the Chair of Governors of Guildhall School.

In addition, the Articles provide that a quorum must comprise a majority of independent Trustees unaffiliated to the City of London.

Trustees give their time voluntarily and none of the Trustees received any reimbursed expenses or remuneration for their services during the year.

The Board conducts self-evaluation performance reviews, to assess how the Board functions as a whole and identify areas for improvement or change.

Management of the Trust

The Board usually meets four times during the year and Trustees approve all activities of the Trust at these meetings. As the Trust has no staff of its own, Trustees consider that they are the key management personnel for the Trust.

A Group Accountant of the Guildhall School of Music & Drama / Barbican Centre provides accountancy services, and the School's Development and Alumni Relations Office (DARO) coordinates all fundraising activity in accordance with the Trust's charitable objectives.

DARO also provides administrative support, employing Trust Manager & Company Secretary, Rachel Davis.

Sub-Committees

The Finance Sub-Committee meets quarterly in advance of the Board meeting. Recommendations from the Sub-Committee are submitted to the full Board for discussion and approval.

The Investment Sub-Committee meets annually with each Investment Manager to formally review their performance against Trustee set objectives. The Sub-Committee provides an update on the performance of the Trust's investment portfolios at quarterly Board meetings.

The Guildhall School Trust

Trustees Recruitment and Training

The Board increased the number of Trustees over the past year, however with the retirement of two Trustees, there is scope to further expand the board.

This year, the appointment of Deborah Lincoln as the new Chair was conducted through a formal process of interviews with a small panel of Trustees and approved by the Board.

The Trust is committed to ensuring that individuals with a diverse range of skills, experience and backgrounds are encouraged to apply and contribute fully as trustees. The Board is ambitious to recruit and continue to support new Trustees with a wide range of skills and experience. There is a robust recruitment process in place. New Trustee induction is supported by further training opportunities.

Diversity

The Trust is committed to ensuring that the principles of equality and diversity are embedded in its actions policies and decision making, drawing on the diversity recommendations of the Charity Governance Code and working closely with the Guildhall School. Building on its recent Board Skills Audit, the Trust will take action to further diversify its Board membership and will seek to provide relevant diversity training for its current Board, as part of developing a robust diversity policy and will report on its achievements in this area.

Related Party Transactions

Lynne Williams, Principal of the School, Vivienne Littlechild, Chair of Governors of Guildhall School, Co-opted Governor of the School Michael Hoffman, until his retirement as a Governor, and David Graves are all deemed related parties.

Grants and gifts in kind made to related parties are detailed in Note 11 of the Financial Statements.

Risk Management

The Trust maintains a risk register which identifies the significant risks rated by the level of risk and the likelihood of this risk occurring, with identified mitigating actions. The register is updated regularly and reviewed quarterly by the Finance Sub-Committee and biannually by Trustees.

The impact of the COVID-19 pandemic has been a key consideration for Trustees during the year. The Board adapted quickly to the necessity for online Board Meetings and has continued to maintain regular communications with support staff and the DARO team.

Trustees have also been aware of the risk to the Trust's ability to sustain the real value of its invested funds whilst generating the income necessary to sustain its desired level of grant giving, particularly given the challenges presented by the pandemic. The Investment Sub-Committee has continued to work closely with the Managers to monitor the situation and take action as appropriate (see Investment Management report on page 18).

Another key area of risk relates to keeping compliant with the changing regulatory environment affecting charities. This remains an enduring focus for Trustees, who continue to review, challenge and strengthen governance arrangements to mitigate these risks.

Safeguarding is recognised as one of the governance priorities for the Trust. All Trustees have signed-up to the School's Safeguarding Policy. The Trust's Company Secretary is the Trust's Designated Safeguarding Lead. Trustees aim to introduce a specific Trust Safeguarding Policy by the end of 2020/beginning of 2021.

Trustees are satisfied that all material and reasonably foreseeable risks have been identified and that systems and controls are in place to manage those risks.

Relationship with Guildhall School of Music & Drama

The School

Guildhall School of Music & Drama is a vibrant, international community of young musicians, actors and production artists in the heart of the City of London.

Ranked in the top 10 UK universities and the top ranked conservatoire for overall student satisfaction in the National Student Survey (NSS) 2020. The School is one of the top ten performing arts institutions in the world (QS World University Rankings 2020), and third in the Arts, Drama and Music Complete University Guide League Table 2021. The School is a global leader of creative and professional practice which promotes innovation, experiment and research, with over 1,000 students in higher education of which around 35% come from outside of the UK.

The School is also the UK's leading provider of specialist music training at the under-18 level with nearly 2,500 students in Junior Guildhall and the Centre for Young Musicians.

The Trust and the School

The Trust and the School have been working on a joint project to create a framework agreement that identifies key areas of interaction and clearly defines accountabilities. The project is nearing completion, with most policies already agreed, including the Gift Acceptance Policy, approved and published in June 2020. The Data Sharing and Data Processing is in the process of being finalised, with a view to sign off at the end of 2020/beginning of 2021.

Approach to fundraising

The Development team of professional fundraisers in DARO are responsible for fundraising activity, with the Board retaining oversight of activities undertaken by this team that relate to or affect the Trust.

The fundraisers aim to ensure the following in their fundraising interactions with all organisations and individuals:

- To treat donors with respect and be responsible and compliant with personal data legislation
- To implement a clear and transparent policy for the acceptance of donations which are aligned to the School's values, strategic goals and financial needs
- To nurture strong and positive relationships with donors, meeting their needs and demonstrating the impact of their philanthropy.

Supporters of the School make contributions to the Trust in many forms including financial gifts, grants, legacies, subscribing to annual philanthropy programmes and by attending fundraising events.

The Trust is registered with the Fundraising Regulator. The Development team undertakes regular reviews of the Regulator's Code of Fundraising Practice, and endeavours to keep abreast of changes in legislation, regulation and best practice in fundraising.

Neither the Trust nor the School received any material complaints from donors or members of the public about its fundraising practices this year.



Achievements, impact and public benefit

Donations and impact 2019/20



Provok'd: A Restoration, Nov 2019 © Guildhall School / Mihaela Bodlovic

The Trust is immensely grateful to all its donors, including individuals, liveries, companies and trusts whose support has made such a difference to the lives of students, staff and to the delivery of educational programmes at the School. This year donations have helped students to stay in training and support themselves during the COVID-19 pandemic, alongside empowering them to realise their full potential, enriching the lives of others and leading cultural change.

Donations supported a range of projects, enabling the School to realise its ambitions in key areas, which include:

- The provision of scholarships, emergency funding and pastoral support to exceptionally talented students, relieving financial, social and physical barriers to their training;
- Delivering the Guildhall Young Artists programme, helping young people to find their creative voice;
- Providing distinctive degree programmes producing world-class artists;
- Nurturing artistic citizens who enrich the lives of others, encourage public engagement and make a positive impact on the world;
- Leading cultural change in society through professional development, research and knowledge exchange

During the year the Trust received grants and donations of £1,090,217. These comprised endowed gifts totalling £62,371, donations restricted to specific activities totalling £880,540 and unrestricted donations totalling £147,306.

Trustees have also complied with Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.



Tower Bridge: 125 Years of London's Defining Landmark, Nov 2019 © Guildhall School / Em Davis

The Guildhall School Trust

The Trust supports the School's mission to provide scholarships and pastoral support to exceptionally talented students, relieving financial, social and physical barriers to their training

Studying in London has never been more expensive. With tuition fees and the cost of living increasing year on year, receiving a scholarship can mean the difference between a student benefiting from the exceptional training at the Guildhall School, or not continuing to pursue training at all.

Student Scholarships

Income raised through the Trust contributed to 579 scholarships for undergraduate and postgraduate study (44% of the higher education student population). Access to scholarships provides security and freedom to students, enabling them to fully dedicate themselves to their craft:

"Thanks to the support of my scholarship, I have been able to undertake my studies at Guildhall and flourish in an incredibly supportive community. Without financial help I could not have continued my education in this way, and my family and I are – and always will be – so grateful for all the financial help and encouragement."

– Tara Boland, B&T Scholar, BA Technical Theatre Arts (Costume)



Red Velvet, Oct 2019 © Guildhall School / Mihaela Bodlovic

Student Hardship and Emergency Support

The COVID-19 pandemic has had a devastating effect on the financial circumstances of a great number of students and the School's Hardship Fund was placed under additional pressure, leading to the launch of the Guildhall School Hardship Fund Appeal in April 2020. As well as providing assistance with rent and maintenance for students who found themselves in urgent need as a result of loss of income from part-time jobs, freelance work or parental support, the Hardship Fund was also a lifeline to a great number of international students faced with expensive travel costs when returning to their home countries at short notice due to border closures.

Income raised through the Trust has also enabled the Student Affairs team to establish an Emergency Tuition Fees Fund to assist 37 self-paying students who were in extreme financial hardship due to COVID-19 and were in danger of dropping out of their programmes of study.

"The school have been an incredible support and port of call during these unprecedented times, almost replicating our entire in-person timetable to an online version, allowing my training to keep going and not suffer from a lull or inactive period."

– Kishore Thiagarajan-Walker, Norman Gee Foundation Scholar & Girdlers' Scholar, MA Acting



The Wheel, Oct 2019 © Guildhall School / Mihaela Bodlovic

The Guildhall School Trust

The Trust supports the School's mission to enable the Guildhall Young Artists programme to help young people find their creative voice

Income raised through the Trust contributed to 73 Guildhall Young Artist bursaries and scholarships for under-18s attending Junior Guildhall and the Centre for Young Musicians (CYM).

Junior Guildhall

Junior Guildhall is a specialist Saturday School offering advanced pre-conservatoire training to young people between the ages of 4 and 18. This comprehensive programme delivers training at the highest level to talented young musicians within a stimulating, challenging, creative, supportive and nurturing environment, enabling students to reach their full potential. Students receive the type of considered personal attention that young musicians really benefit from, with timetables tailored to their individual needs.



Three exceptionally talented young musicians to benefit from scholarship awards in 2019/20 were violinists Leia Zhu (aged 13), Emma Demetriades (aged 14) and Sofia Demetriades (aged 11). All three have had extensive international competition success and their awards have supported their extra tuition fees and travel costs. Leia began playing the violin when she was three and a half years old and has been attending Junior Guildhall since the age of eight. In 2019 she made history by being the youngest British violinist to play a concerto with the prestigious Mariinsky Orchestra at the Mariinsky Concert Hall in St Petersburg. Sisters Emma and Sofia both reached the 2019 final of the Ilona Feher International Violin Competition in Budapest, where Sofia, the youngest competitor in the entire competition, was awarded joint winner.

Centre for Young Musicians

The Centre for Young Musicians (CYM) provides high quality training for thousands of children, with branches in London, Norwich, Taunton, Saffron Walden and Peterborough. CYM plays a key part in the School's provision of accessible progression routes, increasing the number of children from disadvantaged backgrounds gaining high-level music training.

In 2019/20, the Leverhulme Trust provided scholarships to 22 talented young musicians across all five CYM centres. One award recipient said – *“Receiving this scholarship means the world to me as it is providing me with an education in different aspects of music that I would not have had in my trombone lessons or in school. This scholarship has especially benefitted my singing as my voice is breaking and these lessons have helped me find my vocal range and learn skills and exercises that are constantly improving my singing.”*



CYM Taunton also benefitted from a grant from The Michael Tippett Musical Foundation, which was awarded in support of a new programme called 'CYMT Young Composers'. Working closely with the Composition Department of Guildhall School, students at CYM Taunton were able to participate in creative composition workshops and develop their own new music.

The Guildhall School Trust

The Trust supports the School's mission to deliver distinctive degree programmes enabling the School's artists to be world-class

Guildhall School training equips students to make their mark as accomplished performing and production artists, composers and writers, theatre makers, creative entrepreneurs and teachers.

Students are challenged to work to professional standards in a world-class context, drawing on the insights and skills of internationally renowned artists and practitioners.

Income raised through the Trust has enabled a variety of artistic projects, directly supporting Guildhall School's students:



Guildhall percussionists © Guildhall School / Paul Cochrane

Vocal Masterclass Series

This gift enables the Vocal department to invite some of the finest singers and vocal experts from international opera houses, conservatoires and concert halls to work with students in public settings like Milton Court Concert Hall. Student participants gain public performance experience and benefit from insight into the approaches of the greatest performers.

"The Vocal Department has been able to supercharge its masterclass offer thanks to an exceptionally generous anonymous donation. This means a major increase in the number of visiting artists coming to work with Guildhall singers. Crucially, too, it means the opportunity to connect our students with a far wider range of industry figures than before. Those moments are a particular joy for me to watch, as students hear suggestions from the outside that illuminate what they hear from their teachers every day in the School. It is thanks to the masterclass donation that we can offer Guildhall singers so many new opportunities for transformation."

Armin Zanner, Head of Vocal Studies

"I was particularly excited to get the chance to work on *Les Illuminations* – it's a complicated piece, and I gained so much from her deep understanding of the work as a performer of it herself. Opportunities like this are so enriching for us as students"

Student reflection on a masterclass with soprano Karina Gauvin

The Wolfson Instrument Fund

The Wolfson Instrument Fund supports gifted final-year Music undergraduate students with the purchase of instruments. The students are nominated by their Principal Study Professor and Head of Department based on their performance potential and financial need. The 2019/20 awards enabled the purchase of a piccolo, flute, violin and two violin bows.

Doubling (playing a second instrument in the same family) is a useful skill for brass and woodwind players but can be very costly. One award recipient, whose doubling teacher felt that their beginner flute was no longer suitable for refining technique, said – "*As a doubling musician the investment in professional standard instruments is absolutely imperative, however, a very expensive prospect given that this may involve the purchase of up to 10 instruments. Purchasing the Altus 1107 flute opened the door to the next level of playing and enabled me to complete my final doubling exam.*"

Enhanced Chamber Music Coaching

Thanks to the generous support of the Albert & Eugenie Frost Music Trust, the School has benefited from a significant increase in chamber music coaching hours, from both specialist chamber music staff and visiting guest artists. This support has also allowed for a new strand of programming, enabling visiting ensembles to not only perform and coach, but also to discuss life as a chamber ensemble, from formation through to rehearsal and performance methods.

This support is already bearing fruit, with several student groups selected to perform at international festivals and at cultural exchanges at the Liszt Academy, Budapest and Salzburg Mozarteum.

“To say we are grateful would be an extreme understatement. The support has allowed us to facilitate the continuing upwards trajectory of the Chamber Music department in a way which simply wouldn’t otherwise have been possible in such a short space of time.”
Matthew Jones, Head of Chamber Music



Takács Quartet masterclass © Guildhall School / Clive Totman

The Guildhall School Trust

The Trust supports the School's mission to nurture artistic citizens who enrich the lives of others, encourage public engagement and forge a positive impact on the world.

Active engagement with diverse communities keeps students constantly alive to the unique potential of performing arts to provide pathways to self-expression and positive social change. Income raised through the Trust has enabled a variety of socially engaged projects led by students and staff.

Music, Memory & Me

Alumna Rhia Parker leads *Music, Memory and Me*, a project where students share songs and music with dementia patients on hospital wards. This project has been made possible thanks to philanthropic support from several funders.

Project case studies from the 2019/20 Academic Year include many examples illustrating the positive impact of using music to encourage a space for memory and a connection to the past and present self –

“S’ was an elderly Portuguese female who spoke no English. Although we couldn’t communicate directly with her, and she was a bit confused by our arrival, as soon as we started singing she immediately relaxed and smiled. Whilst she didn’t know any of the songs we had, she sang us her own songs during the breaks. It felt like a really inclusive session and a fascinating example of music overriding language and allowing people to access and participate in whatever ways they can and want to.”



One of the aims of the project is to make patients feel less isolated and the team has been working closely with University College London Hospitals to explore ways to continue this area of vital work remotely as a result of the COVID-19 pandemic.

Music Therapy Placements

Music therapy is an established clinical intervention that facilitates positive changes in emotional wellbeing and communication, and Guildhall School has been a leader in training music therapists in the UK for over 50 years.

The MA in Music Therapy aims to equip students with the knowledge and skills to work as registered music therapists across the arts, education and healthcare sectors. Each student on the two-year programme undertakes a demanding workload that includes weekly clinical placements.

Thanks to a number of funders, the Trust has been able to support music therapy placements in a variety of community settings, including specialist schools.

A clinical placement at a pupil referral unit for young people whose previous school placements have broken down – whether through ill-health, behaviour issues or other difficulties – was able to continue remotely following the closure of the unit as a result of COVID-19, proving a vital lifeline to many vulnerable young people.

“Most of the young people I am working with come from difficult home and social circumstances – some are dealing with severe traumas or early appearances of mental health issues. This placement is both very challenging and very rewarding, and I hope that I will be able to contribute as much to them as this is contributing to my development as a music therapy trainee.”

MA Music Therapy student reflection on their clinical placement

The Trust supports the School's mission to lead cultural change in society through professional development, research and knowledge exchange

Early Career Fellowships

The Research department at Guildhall School explores fundamental questions about the creative arts and embraces a wide range of disciplines within music and drama, including composition, performance, pedagogy, historical musicology, music and literature studies, cultural history, electronic music and music therapy.

Postdoctoral Research Fellows are an increasingly important part of the research environment of the School and in 2019 the School was particularly successful in the Leverhulme Trust Early Career Fellowship competition, securing two fellowships in Music: half the total UK number in the subject.

The Leverhulme Trust Early Career Fellowships aim to provide career development opportunities for those who are at a relatively early stage of their academic careers, but who have a proven record of research. They provide an exceptional opportunity to develop as an independent researcher and have a significant impact on future career trajectory.

Online Cataloguing

A gift was made to the School towards the cost of online cataloguing for 184 items from the Spanish music library of the late Professor Ann Livermore, and a number of specialist books and scores from the donor's own library.





La Fedelta Premiata, Nov 2019 © Guildhall School / Mihaela Bodlovic

Future Plans

In addition to continuing current areas of support, the Trust will look to support the School's efforts to raise funds to support some of the School's exciting future education and training ambitions. These include:

- Building a truly diverse student body and empowering exceptionally talented students from across the globe to overcome financial, social, physical and racial barriers to train. Scholarship provision, learning support and talent development initiatives nationally and internationally, alongside pastoral care and responding to emergency needs of students during the ongoing pandemic will remain priorities.
- Ensuring that artistic excellence and innovation are at the heart of the School's education. Digital capabilities to provide pioneering online and socially distanced learning and effective performing experiences as an essential part of student training will be important.
- Providing opportunities for the whole community to engage with the arts and to benefit from the transformative power of the artist in society. There will be an emphasis on improving lives and helping young people under 18 to find their creative voice during this difficult time.
- Encouraging a flourishing, international culture of enquiry through support of research students in the doctoral school and enhancing the School's position in leading cultural change through the establishment of the Institute for Social Impact, a Centre for excellence in researching the impact of the arts on society.
- Extending the School's provision of training for under 18s under the Guildhall Young Artists umbrella, creating vital progression routes for students currently underrepresented in the arts
- Enhancing the School's position in leading cultural change through the establishment of the Institute for Social Impact and encouraging a flourishing culture of enquiry and research through the doctoral school

The Guildhall School Trust

Financial Review

Grant-giving Support Provided to the School

During the year, the Trust gave a grant of £1,837,527 (2019: £1,770,097) to the School for scholarship support, representing over 83% of all Scholarship funds awarded by the School during the year.

In addition, the Trust also gave grants totalling £202,983 (2019: £79,496) towards a variety of projects and initiatives at the School, including artistic, outreach and Creative Learning projects.

Financial Management

Total income for the year amounted to £1,551,348 (2019: £2,380,570). Of this, £1,140,523 (2019: £1,985,567) was donations and legacies and £410,825 (2019: £365,148) was investment income. In 2019 the Trust also received £29,855 related to income from events which were not repeated this year due to the COVID-19 pandemic.

Set off against this income was £2,153,240 (2019: £2,023,367) of expenditure – £34,469 (2019: £52,516) related to the cost of raising funds and £2,118,771 (2019: £1,970,851) related to charitable activities, including grants to the Guildhall School and associated support costs.

Once expenditure is deducted from income, the charity shows a planned use of reserves of £601,892 (2019: Net income of £357,203). Losses of £446,692 (2019: gains of £201,298) on listed investments led to an overall decrease in funds of £1,048,584 (2019: increase of £558,501).

Endowments and Investments

The Trust commenced a project in 2018 to review its endowments and investments, with a view to verifying the correct status and purpose of several funds where this information was previously incomplete.

The next phase of the review began in summer 2019 and was completed during this financial year resulting in the reclassification of more funds.

Investment Management

The assets of the Trust continue to be managed by Sarasin and Cazenove Capital. The investment objectives of the Trust are to maintain the real spending power of the assets while targeting a yield of between 3% and 4%. The benchmark of CPI plus 4% continues as the core long-term investment measure.

During the year the Investment Sub-Committee formally reviewed both Investment Managers. At the time of the review in March returns of both income and capital appreciation had been solid and administration was efficient. The diversification achieved through using two Managers with slightly different strategies in terms of asset allocation and execution was seen as reassuring in terms of reducing risk and maximizing available returns.

The impact of the COVID-19 pandemic has undoubtedly had an effect on the performance of the Trust's investments. During this period the Sub-Committee has remained in close contact with both Managers, who warned that income was vulnerable as it became clear the pandemic was affecting the ability of the companies to pay dividends. Modeling suggested that the combined yield of the portfolio could fall below 3%. The Sub-Committee considered suggestions from both Managers about how to protect income going forward.

During the year under review the capital value of investments fell by 4.3%, or £447k. Between the Balance Sheet date and the date of approval of these accounts, the capital value of the funds increased by £673k. Trustees are mindful of the ongoing volatility of the market and continue to monitor performance closely.

After due consideration it was decided to switch the portfolio with Cazenove into their Charity Multi-Asset Fund which attracts a lower fee than currently paid and targets a regular 4% distribution made up of income and capital. This switch was completed in July. A further decision was taken to maintain the portfolio with Sarasin due to the above average performance in the last period and the modeling that showed that loss of income was going to be relatively marginal overall.

Both Managers continue to demonstrate strong Environmental Social and Governance credentials (ESG) to ensure socially responsible investing when assessing the appropriateness for inclusion in the Trust's portfolios. This practice is monitored by the Sub-Committee and continues to be a particular focus particularly as both managers develop new funds and strategies focusing on climate change.

Treasury Management

The policy of the Trustees is to:

1. Ensure sufficient liquidity to meet the Trust's funding requirements in both the short and long term
2. Provide effective management of surplus cash funds
3. Provide a robust and responsive risk management framework
4. Oversee and maintain effective banking arrangements, including banking relationships
5. Avoid directly investing funds in areas that would conflict with the Trust's core aims, objectives and values

The Group Accountant continues to monitor and control treasury management risk, reporting to the board accordingly.

Reserves Policy

The policy of the Trustees is to maintain a level of reserves as follows:

1. Endowment reserves at a level at least equal to the capital values as they were when originally donated by donors;
2. Restricted reserves at the level of the uncommitted balance according to the donors' restrictions; and
3. unrestricted reserves to support three objectives:
 - i. To provide sufficient funds to cover the operating costs (specifically the support costs and investment management fees) that the Trust would expect to incur over a period of six months. This equates to approximately £45,000 - £50,000.
 - ii. To provide sufficient funds to cover the anticipated annual Scholarship grant to the School for the following year, to the extent that it is to be financed from unrestricted funds. This equates to approximately £550,000.
 - iii. To provide a further contingency against the possibility of poor investment performance or reduced fundraising, to provide for 50% of the anticipated annual grant of unrestricted funds for the following year, equating to approximately £300,000.

Taken together, this amounts to a target level for unrestricted reserves of £900,000. As at 31 July 2020, the Trust held unrestricted reserves of £1,133,244. The Trust intends to reduce this to the target level in 2020-21 by making extraordinary grants to the School to support scholarships and other initiatives for the benefit of students.

As at 31 July 2020 the Trust held endowment reserves of £9,378,009 and restricted reserves of £906,075. As with the unrestricted reserves, it is the intention of trustees to reduce the level of restricted reserves by making additional grants to the School in accordance with restrictions placed on the funds by donors.

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Guildhall School Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the income and expenditure of the Trust 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 Accounting and Reporting by Charities: Statement of Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the Trust's auditor is unaware; and
- the Trustee has taken all the steps necessary to be aware of any relevant audit information and to establish that the Trust's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The above report has been prepared in accordance with the special provisions within Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board of Trustees:

DL

20/01/2021

Deborah Lincoln
Chair

Date

The Guildhall School Trust
Silk Street, Barbican, London, EC2Y 8DT

Registered Company Number 04041975
Registered Charity Number 1082472

The Guildhall School Trust

Independent auditor's report to the members of The Guildhall School Trust

Opinion

We have audited the financial statements of The Guildhall School Trust (the 'charitable company') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the notes to the financial statements including the principal 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 state of the charitable company's affairs as at 31 July 2020 and of 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 requirements of 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the report and financial statements, 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

The Guildhall School Trust

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report, which is also the directors' report for the purposes of company law, 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 Trustees' report. We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company 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 Trustees 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 Trustees 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located 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.



Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street, London, EC2V 6DL

26 January 2021

The Guildhall School Trust

Statement of Financial Activities

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total Funds July 2020	Unrestricted funds Restated	Restricted funds Restated	Endowment funds Restated	Total Funds July 2019 Restated
		£	£	£	£	£	£	£	£
Income and Endowments from:									
<i>Donations and Legacies</i>									
Grants and Donations for Scholarships		-	707,990	-	707,990	257,970	890,455	-	1,148,425
Other Grants and Donations		91,730	170,050	17,371	279,151	-	27,500	-	27,500
Prizes		-	2,500	-	2,500	-	19,100	-	19,100
Bequests and Endowed gifts	4	20,000	-	45,000	65,000	-	100,000	641,222	741,222
Membership		35,576	-	-	35,576	-	-	-	-
Donated Services		50,306	-	-	50,306	49,320	-	-	49,320
<i>Income from Generating Funds</i>									
Events		-	-	-	-	-	29,855	-	29,855
Investment Income		55,911	30,451	324,464	410,826	128,324	24,477	212,347	365,148
Total income		253,523	910,991	386,835	1,551,349	435,614	1,091,387	853,569	2,380,570
Resources expended									
<i>Expenditure on raising funds</i>									
Fundraising & Event costs		-	-	-	-	-	17,921	-	17,921
Investment Management Fees		2,475	3,208	28,787	34,470	2,851	3,143	28,601	34,595
<i>Expenditure on Charitable Activities</i>									
Scholarship grants to Guildhall		683,578	813,949	340,000	1,837,527	597,406	960,776	211,915	1,770,097
Grants for Non Scholarship Activity		45,543	154,940	-	200,483	-	41,500	13,178	54,678
Prizes		-	2,500	-	2,500	-	24,818	-	24,818
Support Costs		78,261	-	-	78,261	121,258	-	-	121,258
Total resources expended	5	809,857	974,597	368,787	2,153,241	721,515	1,048,158	253,694	2,023,367
Net (expenditure) / income		(556,334)	(63,606)	18,048	(601,892)	(285,901)	43,229	599,875	357,203
Adjustment for (losses)/gains on Investments		(43,857)	(41,569)	(361,266)	(446,692)	(82,871)	25,172	258,997	201,298
Net Movement In Funds		(600,191)	(105,175)	(343,218)	(1,048,584)	(368,772)	68,401	858,872	558,501
Balance brought forward		1,767,497	1,016,626	9,681,789	12,465,912	2,136,269	948,225	8,822,917	11,907,411
Balance carried forward	10	1,167,306	911,451	9,338,571	11,417,328	1,767,497	1,016,626	9,681,789	12,465,912

All income and expenditure in the above two financial periods was derived from continuing operations. There were no recognised gains and losses other than those included above. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The Guildhall School Trust

Balance Sheet as at 31 July 2020

		31st July 2020		31st July 2019 Restated	
		£	£	£	£
FIXED ASSETS:					
Investments	6		10,414,380		10,861,072
Endowment Bank account			823,175		496,229
Total Fixed Assets			<u>11,237,555</u>		<u>11,357,301</u>
CURRENT ASSETS:					
Debtors and prepayments	7	41,367		673,380	
Cash at bank and in hand		499,126		675,913	
Total Current assets		<u>540,493</u>		<u>1,349,293</u>	
CURRENT LIABILITIES:					
Creditors: Amounts falling due within one year	8	(360,720)		(240,682)	
NET CURRENT ASSETS			<u>179,773</u>		<u>1,108,611</u>
NET ASSETS			<u>11,417,328</u>		<u>12,465,912</u>
THE FUNDS OF THE CHARITY					
CAPITAL FUNDS					
Endowments	9, 10		9,338,571		9,681,789
INCOME FUNDS					
Restricted Funds	9, 10		911,451		1,016,626
UNRESTRICTED FUNDS					
General Funds	9, 10		1,167,306		1,767,497
			<u>11,417,328</u>		<u>12,465,912</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 26 to 34 form part of these financial statements

Approved by the Board of Trustees of the Guildhall School Trust, Company Registration number 04041975 (England and Wales) and authorised for issue on 20/01/2021 and signed on its behalf by

Deborah Lincoln

Deborah Lincoln
Chair

The Guildhall School Trust

Statement of Cash Flows

For the year ended 31 July 2020

	Notes	Jul 2020 £	Jul 2019 £
Cash outflow from Operating Activities:			
Net cash used in operating activities	A	(170,219)	(685,316)
Cash inflow from investing activities:			
Dividends and interest from investments		402,849	334,130
Proceeds from disposals		5,807,430	828,013
Purchase of investments		(5,795,184)	(467,853)
Net Cash provided by investing activities		<u>415,095</u>	<u>694,290</u>
Change in cash and cash equivalents in year		244,876	8,974
Cash and cash equivalents at 1st August 2019	B	1,250,341	1,241,367
Cash and cash equivalents at 31st July 2020	B	<u>1,495,217</u>	<u>1,250,341</u>
Notes to cash flow statement for the year to 31st July 2020			
A) Reconciliation of net movement in funds to net cash flow from operating activities			
		Jul 2020 £	Jul 2019 £
Net movement in funds (as per the statement of activities)		(1,048,584)	558,501
Losses/(gains) on investments		446,692	(201,298)
Distributions from Investments		(320,378)	(344,962)
Decrease / (Increase) in debtors		632,013	(605,151)
Increase/(decrease) in creditors		120,038	(92,406)
Net Cash used in operating activities		<u>(170,219)</u>	<u>(685,316)</u>
B) Analysis of cash and cash equivalents			
Cash at Hand and in Bank		499,126	675,913
Cash held in endowment bank account		823,175	496,229
Cash held by Investment Managers		172,916	78,199
Total cash and cash equivalents		<u>1,495,217</u>	<u>1,250,341</u>

The Guildhall School Trust

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2020

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared for the year to 31 July 2020.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Coronavirus pandemic that has swept the globe this year has affected many organisations in terms of their ability to continue operating normally. While the impact of the virus has undoubtedly had an effect of the performance of the Trust's investments, the Trust do not believe it has a significant effect on fundraising for the year or on the Trust's ability to fund its charitable operations. While any ongoing impact on the performance of the investment portfolio may impact on investment income, we do not believe that it will affect the long-term viability of the Trust given the level of reserves maintained by the Trust.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31st July 2021, the most significant areas that affect the carrying value of the assets held by the Trust are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

The Guildhall School Trust

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and legacies, investment income and other income from fundraising events.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income from fundraising events is usually recognised in the period the event takes place.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings dependent on the nature of the expenditure and the restriction that may apply to it according to the express wishes of the original donor. The classification between activities is as follows:

The Guildhall School Trust

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, the costs of hosting fundraising events, promotional expenditure, and an allocation of support costs.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants, donations, scholarships and prizes, as well as an allocation of support costs including governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Trust does not acquire put options, derivatives or other complex financial instruments.

As noted above the main form of financial risk faced by the Trust is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Trust anticipates it will pay to settle the debt.

Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

The Guildhall School Trust

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

2. REMUNERATION AND REIMBURSED EXPENSES OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The Trustees consider that they comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis.

None of the Trustees received any reimbursed expenses or remuneration for their services during the year (2018: None).

3. STAFF COSTS

There were no employees or staff costs in the year (2019: None). Any reference to staff costs in the notes refers to recharged staff costs from the Guildhall School of Music & Drama which are treated as a gift in kind within these financial statements.

4. BEQUESTS AND ENDOWED GIFTS

	<u>31 July</u> <u>2020</u>	31 July 2019 <u>Restated</u>
	£	£
Permanent Endowment:		
Sally Michael Cohen	45,000	-
Harry Rabinowitz Memorial Scholarship	-	27,812
Keith Bonnington Vocal Prize	-	10,000
Others under £10,000	-	3,410
	<u>45,000</u>	<u>41,222</u>
Expendable Endowment:		
Gilburta Furber	-	600,000
	<u>-</u>	<u>600,000</u>
Unrestricted Funds:		
George Law	20,000	-
	<u>20,000</u>	<u>-</u>
Total Gifts & Bequests	<u>65,000</u>	<u>641,222</u>

The Guildhall School Trust

5. ANALYSIS OF EXPENDITURE

	Other £	Donated Service £	31 July 2020 £	31 July 2019 £
Expenditure on Raising Funds				
Fundraising & Events	-	-	-	17,921
Investment Management Fees	34,470	-	34,470	34,595
	34,470	-	34,470	52,516
Charitable activities				
Scholarship Grant to Guildhall School	1,837,527	-	1,837,527	1,770,097
Grants for Non Scholarship Activity	200,483	-	200,483	54,678
Prizes	2,500	-	2,500	24,818
Support Costs	27,955	50,306	78,261	121,258
	2,068,465	50,306	2,118,771	1,970,851
Total Expenditure	2,102,935	50,306	2,153,241	2,023,367
Support Costs can be further analysed as:				
Audit Fees	11,440	-	11,440	11,440
Other Costs	16,370	-	16,370	57,663
Staff costs and other Related Costs	145	50,306	50,451	52,155
	27,955	50,306	78,261	121,258

6. LISTED INVESTMENTS

	31 July 2020 £	31 July 2019 £
Investments at start of year	10,861,072	10,713,932
Additions	-	576
Interest & Dividends	402,849	334,129
Acquisitions	5,795,184	467,277
Disposals	(5,807,430)	(483,891)
Gains / (Losses) on disposal	(491,467)	17,903
Unrealised gains/(losses)	62,027	210,465
Distributions	(373,386)	(364,724)
Management Charges	(34,469)	(34,595)
Investments held	10,414,380	10,861,072
Cash Deposits	823,175	496,229
	11,237,555	11,357,301
Historic Cost at 31 July	9,948,973	10,033,215

At the Balance Sheet date, funds totalling £5,741,107 (2019: £5,665,891) were invested in the Sarasin Endowments Fund Class A Income Fund. The remaining £4,673,273 (2019: £5,195,181) was invested with Cazenove Capital where no single investment is worth more than 5% of the overall portfolio. A further £823,175 was held in a deposit account with the Trust's Bankers Barclays Bank PLC.

Included within the holding at Sarasin is £244,476 (2019: £235,580) representing the value of the PG Smith Fund.

The Guildhall School Trust

Investments held at the year-end are classified as follows:

Funds Held with Sarasin:

Fixed Income	891,775	778,272
Equities	3,887,596	4,037,127
Property	162,660	509,221
Alternatives	599,553	217,701
Liquid Assets	199,523	123,570
	5,741,107	5,665,891

Funds Held with Cazenove:

	£	£
Equities	2,749,013	3,359,766
Bonds	376,769	449,835
Multi Asset Funds	135,110	382,651
Alternatives	1,239,465	924,730
Cash	172,916	78,199
	4,673,273	5,195,181

7. DEBTORS AND PREPAYMENTS

	31 July 2020	31 July 2019
	£	£
Gift Aid & Other Debtors	30,867	62,880
Funds Held by City of London	10,500	10,500
Legacy bequest	-	600,000
	41,367	673,380

8. CREDITORS: Amounts falling due within one year

	31 July 2020	31 July 2019
	£	£
Amounts due to GSMD	70,009	72,344
Other Accruals	22,130	13,505
Bursary Grant Creditors	14,000	11,500
Deferred income	254,581	143,333
	360,720	240,682

The Guildhall School Trust

9. FUNDS

	Permanent Restricted Endowments Restated £	Permanent Unrestricted Endowments Restated £	Expendable Endowments Restated £	Subtotal Endowments Restated £	Unrestricted Funds Restated £	Restricted Funds - Scholarships Restated £	Restricted Funds - Prizes Restated £	Total Funds Restated £
At 1 August 2018	7,791,379	1,031,538	-	8,822,917	2,136,269	927,961	20,264	11,907,411
Income	226,116	27,454	600,000	853,570	435,614	1,072,286	19,100	2,380,570
Expenditure	(229,680)	(24,014)	-	(253,694)	(721,515)	(1,023,340)	(24,818)	(2,023,367)
Gains / (Losses) on Investments	234,965	24,032	-	258,997	(82,871)	25,020	152	201,298
At 31 July 2019	8,022,779	1,059,010	600,000	9,681,789	1,767,497	1,001,928	14,698	12,465,912
Income	316,369	66,847	3,619	386,835	253,523	908,491	2,500	1,551,349
Expenditure	(368,787)	-	-	(368,787)	(809,857)	(972,097)	(2,500)	(2,153,241)
Gains / (Losses) on Investments	(334,168)	(23,048)	(4,050)	(361,266)	(43,857)	(41,548)	(21)	(446,692)
At 31 July 2020	7,636,193	1,102,809	599,569	9,338,571	1,167,306	896,774	14,677	11,417,328

- Permanent endowment funds comprise legacies and other gifts for which the charity cannot spend the capital and can be restricted to use for specific purposes or unrestricted for use at the discretion of Trustees.
- Expendable endowment funds are funds where the donor has expressed a wish that the funds be held for the long-term use of the Trust, but the donor has not made a specific requirement to retain the capital.
- Restricted funds represent funds that have been donated for a specific purpose imposed by the donor and are available for distribution in accordance with the restriction subject to agreement of the Trustees.
- Scholarship funds are restricted to be used in the aid of paying tuition fees or maintenance of students at the Guildhall School of Music & Drama.
- Prize funds are used for specific awards to students for excellence in a specific area.

The following funds each accounted for more than 5% of the total value of permanent endowments:

	Barbara Stringer Scholarship Fund £	Derek Butler Trust Fund £
Opening Balance at 1 August 2019	701,078	591,333
Income	26,096	22,010
Investment losses	(29,983)	(25,288)
Dispersals	(24,131)	(20,354)
Closing Balance at 31 July 2020	673,060	567,701

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10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 31 July 2020 £
Fund balances at 31 Jul 2020 are represented by:				
Investments	1,052,804	1,313,457	8,871,294	11,237,555
Debtors	25,245	16,122		41,367
Cash	100,697	(68,848)	467,277	499,126
Current Liabilities	(11,440)	(349,280)	-	(360,720)
	<u>1,167,306</u>	<u>911,451</u>	<u>9,338,571</u>	<u>11,417,327</u>

	Unrestricted Funds Restated £	Restricted Funds Restated £	Endowment Funds Restated £	Total 31 July 2019 Restated £
Fund balances at 31 Jul 2019 are represented by:				
Investments	1,234,715	1,010,738	9,111,848	11,357,301
Debtors	24,109	49,271	600,000	673,380
Cash	521,704	154,209	-	675,913
Current Liabilities	(13,030)	(197,592)	(30,060)	(240,682)
	<u>1,767,498</u>	<u>1,016,626</u>	<u>9,681,788</u>	<u>12,465,912</u>

Total unrealised gains at 31 July 2020 constitute movements on revaluation of investment properties and listed investments are as follows:

	31 July 2020 £	31 July 2019 £
Unrealised gains at 1 August	827,857	566,493
Net gains / (losses) on revaluation arising in the year	(446,692)	201,298
Gains / (Losses) in respect to disposals in the year	<u>84,242</u>	<u>60,066</u>
Unrealised gains at 31 July	<u>465,407</u>	<u>827,857</u>

11. RELATED PARTY TRANSACTIONS

David Graves is an elected member of the City of London Corporation. Lynne Williams is Principal of the School. Michael Hoffman served as a Co-opted Governor of the School and Vivienne Littlechild is Chair of the Governors of Guildhall School (Guildhall School students being the beneficiaries of the Trust's grants).

Grants paid by the Trust to the School's Scholarship fund amounted to £1,837,527 (2019: £1,770,097). Other restricted grants and prizes totalling £202,983 (2019: £79,496) were also paid to the School during the year.

The Trust works with the finance department of the Barbican Centre and Guildhall School as its accountants and benefits from promotional activity and fundraising support from the School. No charge has been made to the Trust for these services which have been recognised in income and expenditure as a gift in kind for donated services with a value of £50,306 (2019: £49,320).

As of 31 July 2020, the City of London owed the Trust £10,500 in respect of income generated by funds previously held by the City (2019: £10,500).

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12. DEFERRED INCOME

The Trust received donations totalling £254,582 (2019: £143,333) where use was specified for future years.

13. FUNDS HELD AS AGENT

The Trust acts as an agent in distributing sponsor led direct awards. As a result, payment of £10,000 (2018: £3,500) received on behalf of the Guildhall School have been excluded from the Statement of Financial Activities as the charitable company does not have control over the application of the funds. Details of the sponsor led direct awards received during the year are as follows:

Donor	31 July 2020 £	31 July 2019 £
Independent Opera at Sadler's Wells	5,000	5,000
The Sir John Gielgud Charitable Trust		5,000
Sophie's Silver Lining Fund	2,500	0
	<u>7,500</u>	<u>10,000</u>

An amount of £14,000 (2019: £11,500) is included in creditors relating to undistributed funds at the year end.

14. PRIOR PERIOD ADJUSTMENT

	Unrestricted funds	Restricted funds	Endowment funds	Total Funds July 2019	Unrestricted funds Restated	Restricted funds Restated	Endowment funds Restated	Total Funds July 2018 Restated
	£	£	£	£	£	£	£	£
Reconciliation of total funds								
Fund balances as previously stated	1,637,162	763,365	10,065,385	12,465,912	2,038,614	797,294	9,071,503	11,907,411
Reclassification of a donation	-	100,000	(100,000)	-	-	-	-	-
Reallocation of investment income	2,959	6,570	(9,529)	-	-	-	-	-
Reallocation of investment manager charges	31,744	(3,143)	(28,601)	-	-	-	-	-
Reclassification of Scholarship grant	(4,147)	(5,814)	9,961	-	-	-	-	-
Adjustment in relation to release of endowment funds	99,779	155,648	(255,427)	-	97,655	150,931	(248,586)	-
	<u>1,767,497</u>	<u>1,016,626</u>	<u>9,681,789</u>	<u>12,465,912</u>	<u>2,136,269</u>	<u>948,225</u>	<u>8,822,917</u>	<u>11,907,411</u>

During the year the Trust identified a number of legacies and gifts which had been treated as endowment funds in error in prior periods. This has resulted in one gift received during 2018/19 being reclassified from endowments to restricted funds and further donations received in previous periods being reclassified from endowments to restricted funds and to unrestricted funds. As a result the income received in respect of those funds has been reclassified as has the allocation towards the scholarship grant to the Guildhall School attributable to those funds.

A further adjustment has been made to reflect the correct allocation of investment manager charges in 2018/19 in proportion to the share of investments held within each category of fund, previously charged in full to unrestricted funds.