

Report and Financial Statements

For the year ended 31st July 2019

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 2019

President

The Rt Hon The Lord Mayor

Trustees

Martin Moore (Chairman)
Stephen Bland (appointed September 2018)
Alderman David Graves
Lew Hodges (appointed September 2018)
Michael Hoffman
Vivienne Littlechild (appointed September 2018)
Melissa Scott
Lynne Williams
Ken Ollerton (until June 2019)
Timothy Pethybridge (until January 2019)

Company Secretary

Niki Cornwell (until December 2018)
Rachel Davis (from December 2018)

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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Chairman's Foreword

As I take this opportunity to take stock and reflect back over the past year, I feel a sense of immense pride in the work that has been achieved. The Trust enjoys a close relationship with the School and continues to build on these strong foundations to help support the School's world-class artistic endeavours.



There have been many successes over the past year and it is my pleasure to be able to showcase just a few of the different projects the Trust has supported. In particular, the Trust has continued its flagship commitment to the School's scholarship programme, contributing to scholarships for 50% of students at undergraduate and postgraduate level, in addition to the provision of awards for under 18s. The Trust has also supported the School's mission to deliver distinctive higher education training, nurturing the development of artistic citizens, as the School continues to lead cultural change in society through research and knowledge exchange.

The Trust's 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 for the work of the School has seen projects like the new Vocal Masterclass Series and enhanced chamber music provision come to life, enabling the School to fulfil its commitment to provide students with exceptional coaching at the highest level.

It is an immense privilege to be Chairman of the Trust and I would like to thank all those who made it such a strong year including our valued supporters, my fellow Trustees and the Guildhall School Development Team. During the year Tim Pethybridge completed his third term and Ken Ollerton stood down as a Trustee. I would like to say a special 'thank you' to both for their significant contributions to the Trust. I look ahead to another exciting year for the Trust, as we welcome new Trustees to the Board and continue to work hard to champion the wonderful work of the School.

Martin Moore
Chairman

Report of the Trustees

Incorporating the Directors' report for the year ended 31 July 2019

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 2019. 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, first registered with the Charity Commission in September 2000 under Registration No.1082472, having previously been incorporated as a private limited company in England & Wales in July 2000.

In July 2018 the Trust made an application to the Ministry of Justice for Trust Corporation status. This 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 its 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 Guildhall School Trust

The Board of Trustees

The Trust is governed by a Board of Trustees including two Ex Officio Trustees – the Principal of the School and the Chair of Governors of Guildhall School. The Articles provide that a quorum must comprise a majority of independent Trustees unaffiliated to the City of London.

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. Trustees must ensure that the Trust's actions, and all actions taken on its behalf, are in compliance with its governing document and all other appropriate laws and regulations.

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

The Board met four times during the year and Trustees approved all activities of the Trust at these meetings.

Trustees may serve for a period of nine years (three terms of three years). Trustees in office during the year, and the term of their appointment, are as follows:

Trustees	Current term
Mr Martin Moore, Chairman	Third
Mr Stephen Bland	First
Alderman David Graves	Second
Mr Lew Hodges	First
Mr Michael Hoffman	Second
Ms Melissa Scott	Third
Mr Ken Ollerton*	
Mr Tim Pethybridge**	

Ex Officio Trustees

Ms Lynne Williams
Ms Vivienne Littlechild

**Mr Ken Ollerton resigned in June 2019.*

***Mr Tim Pethybridge completed three terms in January 2019. He retired as a Trustee but was co-opted as an adviser to the Trust and Chair of its Investment Sub Committee with effect from January 2019.*

Trustees' attendance at meetings during the year:

Mr Martin Moore, Chairman	100%
Alderman David Graves	50%
Mr Stephen Bland	100%
Mr Lew Hodges	100%
Mr Michael Hoffman	25%
Ms Melissa Scott	100%
Mr Ken Ollerton (until retirement)	25%
Mr Tim Pethybridge	100%

Trustees have a shared understanding and commitment to the objectives of the charity, bringing the benefit of a wide range of different skills, experience and backgrounds, to provide leadership to the Trust.

The Board intends to increase the number of Trustees over the coming year, maintaining its diversity but expanding in size and broadening its skills base. In anticipation of this, work has been undertaken during the year to refine the Trustee recruitment process alongside the development of a new Induction Pack.

At an inaugural 'Board Away Day' Trustees received presentations from the Principal on the evolving strategy and priorities for the School alongside sessions from Buzzacott and Bates Wells on the current regulatory and legal environment governing charities.

The results of the Board's first self-evaluation, and the recommendations arising from it, were considered at the same time. It is expected that training focused Away Days and Board Self-Evaluation performance reviews will become regular annual events.

Related Party Transactions

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

The Trust has no employees – 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.

Grants and gifts in kind made to related parties are detailed in Note 12 of the Financial Statements.

The Guildhall School Trust

Sub-Committees

The Finance Sub-Committee was established at the beginning of this reporting period and meets quarterly. It has completed a number of projects over the year to develop the format and scope of financial reporting and supporting policies in areas including treasury management, banking and management of reserves.

Recommendations from the Sub-Committee are submitted to the full board for discussion and approval.

The Investment Sub-Committee meets each Investment Manager at least annually to formally review their performance against the objectives set by Trustees.

In addition, an update on the performance of the Trust's investment portfolios is provided at quarterly board meetings.

Risk Management

The Trust has an established risk register which uses a rating system to assess the level of risk and the likelihood of this risk occurring, with identified mitigating actions. The register is reviewed quarterly by the Finance Sub-Committee and biannually by Trustees.

A key risk faced by the Trust continues to centre on investment, particularly 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.

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 a key governance priority and Trustees propose to introduce a new Safeguarding Policy by the end of 2019. In the interim, all Trustees have signed-up to the School's Safeguarding Policy and the Trust's Company Secretary has been assigned as the Trust's Designated Safeguarding Lead.

The risk register broadly categorises our risks under the main headings of Governance, Operational, Finance, Investment and Regulatory. Trustees are satisfied that it is comprehensive and that systems and controls are in place to manage these risks.



Achievements, impact and public benefit

Donations and impact 2018/19

The Trust is immensely grateful for the generosity of individuals, liveries, companies and trusts whose donations have made a real difference to the students, staff and educational programmes of the School. This support has helped empower artists to realise their full potential, to enrich the lives of others and to lead cultural change.

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

- The provision of scholarships for exceptionally talented students, relieving financial barriers to training
- Nurturing the development of artistic citizens who enrich the lives of others and encourage public engagement
- Leading cultural change in society through professional development, research and knowledge exchange

During the year the Trust received grants and donations of £1,936,246. These comprised endowed gifts totalling £741,222, donations restricted to specific activities totalling £937,055 and unrestricted donations totalling £257,969.

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.

The Guildhall School Trust

The Trust supports the School's mission to provide scholarships for exceptionally talented students, relieving financial 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 commencing study and benefiting from the exceptional training at the Guildhall School, or not continuing to pursue training at all.

Income raised through the Trust contributed to 564 scholarships for undergraduate and postgraduate study (50% of the student population) as well as to under-18s through Guildhall Young Artists programmes, Junior Guildhall and Centre for Young Musicians.

"As much of a cliché it may be to say, this year has been the best year of my life. The core craft training of the course has stepped up since the first year and I have loved every second of it, and learnt more this year than I think I would in a lifetime outside of Guildhall. Becoming a craft trained classical actor is something a few years ago I could have only dreamt of but now seems like something in reaching distance.

The financial support means my mind can fully concentrate on the tough training without having the burden of worrying about money. Coming from a working class town, a working class background and a working class family it has always been hard for my family and myself to support my acting training, so it's not just me who really appreciates the scholarship but my family as well." *Connor Finch, undergraduate actor*



Junior Guildhall

Junior Guildhall provides specialist pre-conservatoire training, aiming to deliver tuition at the highest level to gifted young musicians and actors, regardless of background, within a stimulating, challenging, creative, supportive and nurturing environment.

Unlike at undergraduate level, there are no student loans to assist with the costs of training at Junior Guildhall level and students are entirely reliant upon parental income to support the cost of study. Access to scholarships continues to be vital in creating opportunities for talented students to train at the highest level, regardless of their financial background.



The Trust supports the School's mission to nurture the development of artistic citizens who enrich the lives of others and encourage public engagement

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. The Creative Learning programme trains students to work in communities across East London and beyond to offer inspiring arts experiences for everyone. 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. This project is made possible thanks to philanthropic support from several funders. One of the aims of the project is to make patients feel less isolated.

"When we walk in, we can tell that people haven't said hello to each other. By the end there are conversations and questions across the room. That's one of the things that is most exciting, seeing patients who are otherwise completely isolated realising there are other patients in the room.

People come up to us and say things like 'thank you so much, my mother hasn't sung in 10 years'. Or we'll see a patient who was very distressed after bad news, becoming much calmer and much more 'present'. Every week, what we see is people transforming from someone who wasn't looking at us, to someone who is singing and taking part fully. We are offering them holistic care and help with their dementia and health overall." *Rhia Parker, alumna and project leader*

Music Therapy Placements

The Music Therapy MA programme aims to realise students' full musicianship potential and equip them with the knowledge and skills to work as registered music therapists. Throughout the programme, students gain vital experience working with adults and children in a variety of settings including specialist and mainstream schools, and with people who experience mental health problems, dementia, learning disabilities and communication disorders.

Thanks to a number of funders, the Trust has been able to support music therapy placements at schools in boroughs including Tower Hamlets and Islington. These projects have already had a significant impact at these schools, with:

- Decreased social isolation and increased confidence in students' capacity to form relationships with their peers
- Increased motivation to engage with lessons and tasks, improving ability to follow the curriculum, and demonstrable improvement in concentration
- Positive impact on the teachers, providing a vital support network for children with challenging behaviour patterns who need specialist support
- Long term impact on children's mental health, acclimatising them to the process of being helped and supported rather than alienated



The Guildhall School Trust

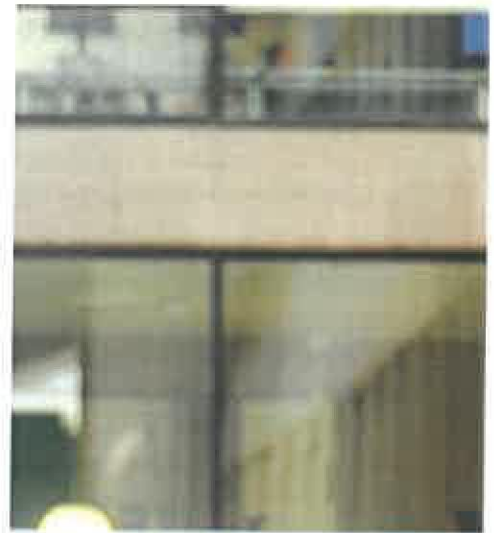
The Trust supports the School's mission to lead cultural change in society through professional development, research and knowledge exchange

UK – Russia Year of Music

Income raised through the Trust has helped to support a song project linked to the UK-Russia Year of Music, in partnership with the British Embassy and the British Council in Russia. The School has joined forces with some of St. Petersburg's greatest institutions – the State Saint Petersburg Museum for Theatre and Music, the Mariinsky Opera and the State Rimsky-Korsakov Conservatory of Music – in a celebration of song.

As part of this project, five Guildhall School students will travel to St. Petersburg to take part in coaching, masterclasses and performances of Russian song hosted by the Rimsky-Korsakov Museum, in collaboration with artists from the Mariinsky Theatre.

As well as a unique learning opportunity for the students involved, this project explores the longstanding intersection of UK and Russian culture, celebrating the richness of this artistic exchange and encouraging co-operation between artists and institutions.



Relationship with Guildhall School of Music & Drama

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 as one of the top ten performing arts institutions in the world (QS World University Rankings 2019), and recently awarded top conservatoire in the Complete University Guide Music League Table 2020, the School is a global leader of creative and professional practice which promotes innovation, experiment and research, with over 1,100 students in higher education, drawn from over 70 countries around the world.

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 relationship between the Trust and School has evolved, with interactions becoming more complex against a backdrop of an increasingly demanding regulatory environment. The Trust and School have responded by working on a joint project to create a framework agreement, which captures key areas of interaction and redefines accountabilities. Progress has been made on elements of the framework agreement with the introduction of a new Grant-Giving policy and revised arrangements for the Trust's oversight of fundraising activities. New policies for Treasury Management and the Management of Reserves have also been agreed. The overall framework agreement is a larger project than first anticipated and further work is required to finalise a new Privacy Policy, Data Sharing and Data Processing Agreements and a Gift Acceptance policy. There is a commitment from the School and the Trust to complete this final phase of the project in the coming year.

Approaches to fundraising

The DARO team of professional fundraisers are responsible for fundraising activity, with the Board retaining oversight of activities undertaken by DARO 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 and
- To nurture strong and positive relationships with donors, meeting their needs and demonstrating the impact of their contribution.

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

The School and the Trust previously agreed interim fundraising protocols based on the Fundraising Regulator's Code of Practice. As of 1 September 2019, the Trust has registered with the Fundraising Regulator, and all parties agree to adhere to the new Code of Fundraising Practice (effective October 2019).

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



Future Plans

In addition to continuing current areas of support, in future years the Trust also hopes to raise funds to support some of the School's exciting education and training initiatives. These include:

- Building a truly diverse student body and empowering exceptionally talented students to overcome financial, social and physical barriers to train, through extensive scholarship provision, learning support and talent development initiatives nationally and internationally
- Ensuring that artistic excellence and innovation are at the heart of the School's education, providing expert faculty, pioneering training and performing opportunities, and state-of-the-art facilities and equipment
- Nurturing the development of artistic citizens who enrich the lives of others and encourage public engagement, through Creative Learning projects, Widening Participation initiatives and student placements
- 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

Financial Review

Grant-giving Support Provided to the School

During the year, the Trust gave a grant of £1,770,097 (2018: £1,751,007) 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 £79,496 (2018: £211,550) 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 £2,380,570 (2018: £1,893,171). Of this, £1,985,567 (2018: £1,536,513) was donations and legacies, £365,148 (2018: £276,637) was investment income and £29,855 (2018: £44,021) related to income from events. In 2018 income of £36,000 was received in relation to a one-off contribution to legal fees incurred by the Trust during the previous financial year.

Set off against this income was £2,023,367 (2018: £2,108,355) of expenditure - £52,516 (2018: £75,003) related to the cost of raising funds and £1,970,851 (2018: £2,033,352) related to charitable activities, including grants to the Guildhall School and associated support costs.

Once expenditure is deducted from income, the charity shows net income of £357,203 (2018: a planned use of reserves of £215,184). Gains of £201,298 (2018: £325,990) on listed investments and the sale of a property led to an overall increase in funds of £558,501 (2018: increase of £110,806).

Endowments and Investments

During the year the Trust continued the review of its endowments and investments, and has now succeeded in verifying the correct status and purpose of a number of funds where this information was previously incomplete. This enabled the Trust to release income from several restricted funds for the first time.

The next phase of the review began in Summer 2019 and is expected to be completed during 2019/20, at which stage the Trust anticipates the reclassification of more funds.

The Trust has continued work to enable a potential change in accounting policy to account for endowments on a Total Return Accounting basis. A formal decision on whether or not to adopt such an approach will be taken during 2019/20 (originally planned for 2018/19) with appropriate professional advice being sought to ensure that the calculation of the permanent capital and unapplied total return elements of each fund has been managed correctly.

The Guildhall School Trust

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 Committee formally reviewed both investment managers. Both reported that the current economic and geopolitical environment made markets quite challenging in the medium term. The most attractive asset class remains equities, and consequently the combined portfolios remain between 65% and 70% invested in domestic and international equities.

Both managers reported yields comfortably within the target range set by the Trustees, and the combined portfolios currently yield c3.4% with an estimated income of £360,000 per annum.

The Investment Committee concluded that the overall strategies of the two managers had achieved a broad diversification for the Trust, which was suited to the Trust's long-term objectives and supported the decision to re-appoint the current managers.

At the review the managers' policies relating to the environment, ethical investing and corporate responsibility were also examined to ensure that the portfolios reflected the values and ethos of the Trust and the School.

Treasury Management

The new 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 new 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. Based on expenditure over the last two years, 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. Based on expenditure over the last two years, this equates to approximately £600,000.
 - 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 £950,000. As at 31 July 2019, the Trust held unrestricted reserves of £1,637,162. The Trust intends to reduce this to the target level over the medium term by making extraordinary grants to the School to support scholarships and other initiatives for the benefit of students.

As at 31 July 2019 the Trust held endowment reserves of £10,065,385 and restricted reserves of £763,365. 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:


.....
Martin Moore
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 2019 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 2019 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

The Guildhall School Trust

Statement of Financial Activities

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total Funds Jul 2019	Unrestricted funds	Restricted funds	Endowment funds	Total Funds Jul 2018
		£	£	£	£	£	£	£	£
Income and Endowments from:									
Donations and Legacies									
Grants and Donations for Scholarships		257,970	890,455	-	1,148,425	99,465	815,151	-	914,616
Other Grants and Donations		-	27,500	-	27,500	-	169,206	-	169,206
Prizes		-	19,100	-	19,100	-	24,740	-	24,740
Bequests and Endowed gifts	4	-	-	741,222	741,222	-	12,200	366,431	378,631
Donated Services		49,320	-	-	49,320	49,320	-	-	49,320
Income from Generating Funds									
Events		-	29,855	-	29,855	-	44,021	-	44,021
Investment Income									
Property Income		-	-	-	-	-	10,500	-	10,500
Investments		125,365	17,907	221,876	365,148	34,009	232,128	-	266,137
Repayment of Legal Fees		-	-	-	-	36,000	-	-	36,000
Total income		432,655	984,817	963,098	2,380,570	218,794	1,107,946	366,431	1,693,171
Expenditure on:									
Expenditure on raising funds									
Fundraising & Event costs		-	17,921	-	17,921	1,694	22,140	-	23,834
Promotional expenditure (Donated Service)		-	-	-	-	15,000	-	-	15,000
Investment Management Fees		34,595	-	-	34,595	36,169	-	-	36,169
Expenditure on Charitable Activities									
Scholarship grants to Guildhall		593,259	954,962	221,876	1,770,097	7,490	1,743,517	-	1,751,007
Grants for Non Scholarship Activity		-	41,500	13,178	54,678	-	198,823	-	198,823
Prizes		-	24,818	-	24,818	-	12,727	-	12,727
Support costs		121,258	-	-	121,258	70,795	-	-	70,795
Total expenditure	5	749,112	1,039,201	235,054	2,023,367	131,148	1,977,207	-	2,108,355
Net (expenditure) / income		(316,457)	(54,384)	728,044	357,203	87,646	(669,261)	366,431	(215,184)
Transfers between Funds		-	-	-	-	280,185	(280,185)	-	-
Adjustment for Gains/(losses) on Investments		(84,995)	20,455	265,838	201,298	38,045	30,845	257,100	325,990
Net Movement In Funds		(401,452)	(33,929)	993,882	558,501	405,876	(918,601)	623,531	110,806
Balance brought forward		2,038,614	797,294	9,071,503	11,907,411	1,632,738	1,715,895	8,447,972	11,796,605
Balance carried forward	10	1,637,162	763,365	10,065,385	12,465,912	2,038,614	797,294	9,071,503	11,907,411

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 2019

		31st July 2019	31st July 2018
		£	£
FIXED ASSETS:			
Investments	6	11,357,301	10,713,932
Investment Property	7	-	305,000
Total Fixed Assets		11,357,301	11,018,932
CURRENT ASSETS:			
Debtors and prepayments	8	673,380	68,229
Cash at bank and in hand		675,913	1,153,338
Total Current assets		1,349,293	1,221,567
CURRENT LIABILITIES:			
Creditors: Amounts falling due within one year	9	(240,682)	(333,088)
NET CURRENT ASSETS		1,108,611	888,479
NET ASSETS		12,465,912	11,907,411
THE FUNDS OF THE CHARITY			
CAPITAL FUNDS			
Endowments	10,11	10,065,385	9,071,503
INCOME FUNDS			
Restricted Funds	10,11	763,365	797,294
UNRESTRICTED FUNDS			
General Funds	10,11	1,637,162	2,038,614
		12,465,912	11,907,411

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 21 to 29 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 10/12/19 and signed on its behalf by


 Martin Moore
 Chairman

The Guildhall School Trust

Statement of Cash Flows

For the year ended 31 July 2019

	Notes	Jul 2019 £	Jul 2018 £
Cash outflow from Operating Activities:			
Net cash provided by / (used in) operating activities	A	(685,316)	(328,407)
Cash inflow from investing activities:			
Dividends and interest from investments		334,130	288,524
Proceeds from disposals		828,013	5,236,243
Purchase of investments		(467,853)	(5,488,500)
Net Cash provided by investing activities		<u>694,290</u>	<u>36,267</u>
Change in cash and cash equivalents in year		8,974	(292,140)
Cash and cash equivalents at 1st August 2018	B	1,241,367	1,533,507
Cash and cash equivalents at 31st July 2019	B	<u>1,250,341</u>	<u>1,241,367</u>

Notes to cash flow statement for the year to 31st July 2019

A) Reconciliation of net movement in funds to net cash flow from operating activities

	Jul 2019 £	Jul 2018 £
Net movement in funds (as per the statement of activities)	558,501	110,806
Gains on investments	(201,298)	(325,990)
Distributions from Investments	(344,962)	(282,269)
(Increase) / Decrease in debtors	(605,151)	283,970
(Decrease) in creditors	(92,406)	(114,924)
Net Cash used in operating activities	<u>(685,316)</u>	<u>(328,407)</u>

B) Analysis of cash and cash equivalents

Cash at Hand and in Bank	675,913	1,153,338
Cash held in endowment bank account	496,229	-
Cash held by Investment Managers	78,199	88,029
Total cash and cash equivalents	<u>1,250,341</u>	<u>1,241,367</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2019

1 ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared for the year to 31 July 2019.

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 value of investment property
- 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 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 2020, 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).

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.

The Guildhall School Trust

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:

- 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.

The Guildhall School Trust

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.

- Properties held for investment purposes are included in these accounts at open market value. The valuation has been determined by the Trustees, with professional assistance.

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.

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.

The Guildhall School Trust

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 (2018: None).

4. BEQUESTS AND ENDOWED GIFTS

	<u>31 July 2019</u>	<u>31 July 2018</u>
	£	£
Permanent Endowment:		
PG Smith	-	222,466
Colin Thomson	-	87,655
Harry Rabinowitz Memorial Scholarship	27,812	44,474
Keith Bonnington Vocal Prize	10,000	-
Gisela Stone	-	10,000
Others under £10,000	3,410	1,836
	<u>41,222</u>	<u>366,431</u>
 Expendable Endowment:		
Gilburta Furber	600,000	-
Ariadne Van de Ven	100,000	-
	<u>700,000</u>	<u>-</u>
 Restricted Fund Legacies		
Jean Jaffa	-	10,000
Anne Wyburd	-	1,200
K W Skelton	-	1,000
	<u>-</u>	<u>12,200</u>
 Total Gifts & Bequests	<u>741,222</u>	<u>378,631</u>

The Guildhall School Trust

5. ANALYSIS OF EXPENDITURE

	Other £	Donated Service £	31 July 2019 £	31 July 2018 £
Expenditure on Raising Funds				
Fundraising & Events	17,921	-	17,921	23,834
Promotional expenditure	-	-	-	15,000
Investment Management Fees	34,595	-	34,595	36,169
	52,516	-	52,516	75,003
Charitable activities				
Scholarship Grant to Guildhall School	1,770,097	-	1,770,097	1,751,007
Grants for Non Scholarship Activity	54,678	-	54,678	198,823
Prizes	24,818	-	24,818	12,727
Support costs	71,938	49,320	121,258	70,795
	1,921,531	49,320	1,970,851	2,033,352
Total Expenditure	1,974,047	49,320	2,023,367	2,108,355
Support Costs can be further analysed as:				
Accountancy Fees	-	-	-	15,000
Governance Costs:				
Audit Fees	11,440	-	11,440	12,570
Other Costs	57,663	-	57,663	35,631
Staff Costs and Other Related Costs	2,835	49,320	52,155	7,594
	71,938	49,320	121,258	70,795

6. LISTED INVESTMENTS

	31 July 2019 £	31 July 2018 £
Investments at start of year	10,713,932	10,165,476
Additions	576	222,466
Interest & Dividends	334,129	288,524
Acquisitions	467,277	5,266,034
Disposals	(483,891)	(5,236,243)
Gains / (Losses) on disposal	17,903	(13,972)
Unrealised gains/(losses)	210,465	343,758
Distributions	(364,724)	(285,941)
Management Charges	(34,595)	(36,169)
Investments held	10,861,072	10,713,932
Cash deposits	496,229	-
	11,357,301	10,713,932
Historic Cost at 31 July	10,033,215	10,147,439

At the Balance Sheet date, funds totalling £5,665,891 (2018: £5,413,945) were invested in the Sarasin Endowments Fund Class A Income Fund. The remaining £5,195,181 (2018: £5,299,987) was invested with Cazenove Capital where no single investment is worth more than 5% of the overall portfolio. A further £496,229 was held in a deposit account with the Trust's Bankers Barclays Bank PLC.

Included within the holding at Sarasin is £235,580 (2018: £230,565) representing the value of the PG Smith Fund.

The Guildhall School Trust

6. LISTED INVESTMENTS (continued)

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

	<u>31 July 2019</u>	<u>31 July 2018</u>
Funds Held with Sarasin:	£	£
Fixed Income	778,272	743,345
Equities	4,037,127	3,673,317
Property	509,221	535,387
Alternatives	217,701	357,902
Liquid Assets	123,570	103,994
	<u>5,665,891</u>	<u>5,413,945</u>
Funds Held with Cazenove:	£	£
Equities	3,359,766	3,467,025
Bonds	449,835	454,532
Multi Asset Funds	382,651	473,645
Alternatives	924,730	816,756
Cash	78,199	88,029
	<u>5,195,181</u>	<u>5,299,987</u>

7. INVESTMENT PROPERTY

The historical cost of the investment property held at the start of the year is not known and for the purpose of the financial statements has been treated as £Nil. During the year ended 31 July 2018 the Charity accepted an offer for the sale of the property and this was concluded in January 2019.

At Valuation

At 1 August 2018	305,000
Surplus on disposal	19,561
Disposal proceeds	(324,561)
At 31 July 2019	<u>-</u>

8. DEBTORS AND PREPAYMENTS

	<u>31 July 2019</u>	<u>31 July 2018</u>
	£	£
Gift Aid & Other Debtors	62,880	54,782
Funds Held by City of London	10,500	10,500
Legacy bequest	600,000	-
Cash In transit	-	2,947
	<u>673,380</u>	<u>68,229</u>

9. CREDITORS: Amounts falling due within one year

	<u>31 Jul 2019</u>	<u>31 July 2018</u>
	£	£
Amounts due to GSMD	72,344	3,882
Other Accruals	13,505	38,575
Bursary Grant Creditors	11,500	1,500
Deferred income	143,333	289,131
	<u>240,682</u>	<u>333,088</u>

The Guildhall School Trust

10. FUNDS

	Permanent Restricted Endowments	Permanent Unrestricted Endowments	Expendable Endowments	Subtotal Endowments	Restricted Funds - Scholarships	Restricted Funds - Prizes	Unrestricted Funds	Total Funds
At 1 August 2017	7,531,309	916,663	-	8,447,972	1,707,644	8,251	1,632,738	11,796,605
Income	268,776	97,655	-	366,431	1,283,206	24,740	218,794	1,893,171
Expenditure	-	-	-	-	(1,964,480)	(12,727)	(131,148)	(2,108,355)
Gains / (Losses) on Investments	239,880	17,220	-	257,100	30,845	-	38,045	325,990
Transfers	-	-	-	-	(280,185)	-	280,185	-
At 31 July 2018	8,039,965	1,031,538	-	9,071,503	777,030	20,264	2,038,614	11,907,411

Income	235,644	27,454	700,000	963,098	965,717	19,100	432,655	2,380,570
Expenditure	(211,040)	(24,014)	-	(235,054)	(1,014,383)	(24,818)	(749,112)	(2,023,367)
Gains / (Losses) on Investments	241,806	24,032	-	265,838	20,303	152	(84,995)	201,298
Transfers	-	-	-	-	-	-	-	-
At 31 July 2019	8,306,375	1,059,010	700,000	10,065,385	748,667	14,698	1,637,162	12,465,912

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 transfer from restricted funds to unrestricted funds in 2018 relates to a designated fund established by Trustees in 2012 and wrongly classified as restricted at the time despite being funded from unrestricted reserves.

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 2018	686,153	578,744
Income	20,789	17,535
Investment Gains	14,925	12,589
Dispersals	(20,789)	(17,535)
Closing Balance at 31 July 2019	701,078	591,333

The Guildhall School Trust

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Jul-19 £
Fund balances at 31 Jul 2019 are represented by:				
Investments	1,139,867	752,049	9,465,385	11,357,301
Debtors	24,109	49,271	600,000	673,380
Cash	486,216	189,697	-	675,913
Current Liabilities	(13,030)	(227,652)	-	(240,682)
	<u>1,637,162</u>	<u>763,365</u>	<u>10,065,385</u>	<u>12,465,912</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Jul-18 £
Fund balances at 31 Jul 2018 are represented by:				
Investments	1,534,839	737,022	8,747,071	11,018,932
Debtors	1,250	65,782	1,197	68,229
Cash	541,051	289,052	323,235	1,153,338
Current Liabilities	(38,526)	(294,562)	-	(333,088)
	<u>2,038,614</u>	<u>797,294</u>	<u>9,071,503</u>	<u>11,907,411</u>

Total unrealised gains at 31 July 2019 constitute movements on revaluation of investment properties and listed investments are as follows:

	31 July 2019 £	31 July 2018 £
Unrealised gains at 1 August	566,493	1,387,294
Net gains / (losses) on revaluation arising in the year	201,298	325,990
Gains / (Losses) in respect to disposals in the year	60,066	(1,146,791)
Unrealised gains at 31 July	<u>827,857</u>	<u>566,493</u>

12. RELATED PARTY TRANSACTIONS

Alderman David Graves is an elected member of the City of London Corporation. Lynne Williams is Principal of the School. Michael Hoffman is 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 £1,770,097 (2018: £1,751,007). Other restricted grants and prizes totalling £79,496 (2018: £211,550) 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 £49,320 (2018: £49,320).

As of 31 July 2019, the City of London owed the Trust £10,500 in respect of income generated by funds previously held by the City (2018: £10,500).

The Guildhall School Trust

13. DEFERRED INCOME

The Trust received donations totalling £143,333 (2018: £289,131) where use was specified for future years.

14. 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 2019 £	31 July 2018 £
Independent Opera at Sadler's Wells	5,000	-
The Sir John Gielgud Charitable Trust	5,000	-
Colin Menzies	-	3,000
Foundation of St Matthias	-	500
	<u>10,000</u>	<u>3,500</u>

An amount of £11,500 (2018: £1,500) is included in creditors relating to undistributed funds at the year end.