

***GUILDHALL LIBRARY CENTENARY FUND  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2015***

**Charity Number: 206950**

# GUILDHALL LIBRARY CENTENARY FUND

## **Trustee's Annual Report and Financial Statements for the year ended 31 March 2015**

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# GUILDHALL LIBRARY CENTENARY FUND

## Trustee's Annual Report for the year ended 31 March 2015

### 1. Reference and Administration Details

Charity Name	Guildhall Library Centenary Fund
Registered Charity Number:	206950
Principal Address:	Guildhall, London EC2P 2EJ
Trustee:	The City of London Corporation
Chief Executive:	Town Clerk of the City of London Corporation
Treasurer:	Chamberlain of London
Solicitor:	Comptroller and City Solicitor
Banker:	Lloyds TSB Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Investment Managers:	Artemis Fund Managers Limited
Auditor:	Moore Stephens LLP 150 Aldersgate Street London, EC1A 4AB

### 2. Structure, Governance and Management

#### **The Governing Documents and constitution of the charity**

The governing document is the Trust deed dated 7 March 1929 which was amended on 9 June 2011. Under the powers of the Charities Act 2011 this amendment has taken into account the City of London Corporations Charities Review where the assets of the English Philological Endowment Fund (Charity number 306000) and the Alderman Sir Samuel Wilson Charity (unregistered) were transferred to the Guildhall Library Centenary Fund.

#### **Trustee selection methods**

The Culture, Heritage and Libraries Committee of the City of London Corporation administers the Trust on behalf of the Trustee. This committee comprises Aldermen and Common Councilmen elected to the City of London Corporation who are appointed to this committee in accordance with the usual procedures of committee membership of the City of London Corporation.

# GUILDHALL LIBRARY CENTENARY FUND

## Trustee's Annual Report (continued)

### 2. Structure, Governance and Management (continued)

#### **Policies and Procedures for the Induction and Training of Trustees**

The City of London Corporation makes such seminars and briefings available to its Members as it considers are necessary to enable the Members to efficiently carry out their duties. Such events relate to various aspects of the City's activities, including those concerning Guildhall Library Centenary Fund.

#### **Organisational structure and decision making process**

The charity is administered under the governance rules applying to the City of London Corporation and its governance and administration is in accordance with the Standing Orders and Financial Regulations of the City of London Corporation.

These regulations are available from the Town Clerk of the City of London at the principal address.

#### **Related Parties**

Details of any related party transactions are disclosed in note 10 to the Financial Statements.

#### **Risk identification**

The Trustee is committed to a programme of risk management as an element of their strategy to preserve the charity's assets, enhance productivity for service users and members of the public and protect the employees.

In order to embed sound practice a Risk Management Group has been established in the City of London Corporation to ensure that risk management policies are applied, that there is an ongoing review of risk management activity and that appropriate advice and support is provided to Members and officers.

The City of London Corporation has approved a strategic risk register for all of its activities. This register helps to formalise existing processes and procedures and enables the City of London Corporation to further embed risk management throughout the organisation.

A key risk register has been prepared for this charity and has been reviewed by the Trustee. It identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

### 3. Objectives and Activities for the public benefit

To advance the education and training of the public, in particular but not exclusively by the provision of library, archives, museum and gallery services.

The Trustee has due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

# GUILDHALL LIBRARY CENTENARY FUND

## Trustee's Annual Report (continued)

### Achievements and Performance

#### Key Targets for 2014/15 and review of achievement

The key target for 2014/15 is to continue to advance the education and training of the public in the provision of library, archive, museum and gallery services.

Achievements and performance – no suitable opportunities for spending the relatively small amount of money currently sitting in the fund were identified in 2014/15.

## 4. Financial Review

### Review of financial position

The income from investments during the year was £610 (2013/14: £610), and there was a £500 donation received from Lloyd Rehman & Co (2013/14: £nil). In 2014/15 there was no expenditure (2013/14: £nil). The unrestricted income fund at the year-end had a balance of £8,766 (2013/14: £7,656) which will be expended if there are requirements to advance the education and training of the public in the provision of library, archive, museum and gallery services.

The majority of the charity's surplus funds are invested within the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management LLP and the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).

As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%.

### Reserves Policy

The Reserves Policy is to maintain the permanent endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the permanent endowment as grants should they deem this appropriate. The unrestricted reserve is accumulated to provide funds to advance the education and training of the public, in particular but not exclusively by the provision of library, archives, museum and gallery services.

### Principal Funding Sources and explanation of how expenditure meets the charity's objectives

The principal funding source is from investments held with the City of London Corporation's Charities Pool.

# GUILDHALL LIBRARY CENTENARY FUND

## Trustee's Annual Report (continued)

### Investment Policy

The charity's investments are held in units of the City of London Charities Pool. The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool are available from the Chamberlain of London.

### Going Concern

The Trustee considers the Trust Fund to be a going concern. Please see note 1(b) to the Financial Statements.

## 5. Plans for Future Periods

The Charity in its current form is a merger of 3 very small charities following a review of these within the City Corporation. Other priorities have prevented the developing of the Charity into a more effective support stream for education and training as per the stated objectives, but this will be addressed in the year ahead when a plan for its future use will be established.

## 6. The Financial Statements

These consist of the following and include comparative figures for the previous year:

- **Statement of Financial Activities** showing all resources available and all expenditure incurred and reconciling all changes in the funds of the Fund.
- **Balance Sheet** setting out the assets, liabilities and funds of the Fund.
- **Notes to the Financial Statements** explaining the accounting policies adopted and explanations of information contained in the financial statements.

The financial statements have been prepared in accordance with statutory requirements and the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)*.

## 7. Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and

## **GUILDHALL LIBRARY CENTENARY FUND**

### **Trustee's Annual Report (continued)**

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enables the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **8. Adopted and signed for on behalf of the Trustee on 21 July 2015.**

R.A.H. Chadwick  
Chairman of Finance Committee  
Guildhall, London

Jeremy Mayhew MA MBA  
Deputy Chairman of  
Finance Committee

# **GUILDHALL LIBRARY CENTENARY FUND**

## **Independent Auditor's Report to the Trustees of Guildhall Library Centenary Fund**

We have audited the financial statements of Guildhall Library Centenary Fund for the year ended 31 March 2015 which are set out on pages 9 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 2 to 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 145 the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2015 and of its incoming resources and application of resources, 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 Charities Act 2011.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:



## **GUILDHALL LIBRARY CENTENARY FUND**

### **Independent Auditor's Report to the Trustees of Guildhall Library Centenary Fund (continued)**

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Moore Stephens LLP**  
Statutory Auditor

150 Aldersgate Street  
London  
EC1A 4AB

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

# GUILDHALL LIBRARY CENTENARY FUND

## GUILDHALL LIBRARY CENTENARY FUND

### Statement of Financial Activities for the year ended 31 March 2015

	Notes	Unrestricted Fund £	Endowment Fund £	Total 2014/15 £	Total 2013/14 £
<b>Incoming resources</b>					
Donations	3	500	-	<b>500</b>	-
<b>Investment income</b>					
Managed investment income	3	541	-	<b>541</b>	539
Interest receivable	3	69	-	<b>69</b>	71
<b>Total incoming resources</b>		<u>1,110</u>	<u>-</u>	<u><b>1,110</b></u>	<u>610</u>
<b>Net incoming resources before other recognised gains</b>		<u>1,110</u>	<u>-</u>	<u><b>1,110</b></u>	<u>610</u>
<b>Other recognised gains</b>					
Net gains on investment assets	7	-	884	<b>884</b>	938
<b>Net movement in funds</b>		<u>1,110</u>	<u>884</u>	<u><b>1,994</b></u>	<u>1,548</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	9	7,656	13,728	<b>21,384</b>	19,836
<b>Total funds carried forward</b>	9	<u><u>8,766</u></u>	<u><u>14,612</u></u>	<u><u><b>23,378</b></u></u>	<u><u>21,384</u></u>

There are no recognised gains or losses other than as shown in the statement of financial activities above.

All incoming resources and resources expended derive from continuing activities.

# GUILDHALL LIBRARY CENTENARY FUND

## GUILDHALL LIBRARY CENTENARY FUND

### Balance Sheet as at 31 March 2015

	Notes	2015 £	2014 £
<b>Fixed Assets</b>			
Investments – 1,769 Charities Pool Units	7	<b>14,612</b>	13,728
<b>Current Assets</b>			
Cash at bank and in hand		<b>8,766</b>	7,656
<b>Net Assets</b>		<u><b>23,378</b></u>	<u>21,384</u>
<b>The funds of the charity:</b>			
Endowment fund	9	<b>14,612</b>	13,728
Unrestricted fund	9	<b>8,766</b>	7,656
<b>Total Funds</b>		<u><b>23,378</b></u>	<u>21,384</u>

Approved and signed for and on behalf of the Trustee.

The notes at pages 11 to 14 form a part of these financial statements.

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Dr Peter Kane  
Chamberlain of London  
21 July 2015

# GUILDHALL LIBRARY CENTENARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015

### 1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

#### (a) *Basis of Preparation*

The financial statements have been prepared in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)* and under the historical cost accounting rules modified to include the revaluation of investments, and in accordance with applicable United Kingdom accounting standards.

Activity is accounted for in the year that it takes place on an accruals basis, not simply when cash payments are made or received. In particular:

- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

#### (b) *Going Concern*

The Trust is considered a going concern for the foreseeable future as the Trustee has due regard to maintaining the capital base and only the investment income is generally used in furtherance of the objectives of the Trust. The majority of the Charity's income is from investments in the Charities Pool administered by the City of London Corporation. The investment policy is set out in Section 4 of the annual report.

#### (c) *Investments*

Investments are pooled with those owned by other small City of London charities. Underlying Listed Company investments are valued at The Stock Exchange Trading System price at 31 March 2015. Other investments are valued annually at the middle market price at the close of business on 31 March 2015. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

The unrealised gain on investments at the balance sheet date is included in the Fund's funds.

The net gain on investments shown in the Statement of Financial Activities represents the difference in the market value of investments between 1 April 2014 and 31 March 2015.

#### (d) *Investment Income*

Investment income consists of dividends and interest received and receivable.

# GUILDHALL LIBRARY CENTENARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015 (continued)

### (e) *Fund Accounting*

The funds of the charity consist of a permanent endowment fund and an unrestricted income fund. The endowment fund holds the original endowment of the charity which is invested and shown at market value, whilst the unrestricted income fund contains any unspent annual income carried forward for use in future years.

### (f) *Cash Flow Statement*

The Trust has taken advantage of the exemption in Financial Reporting Standard 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a small entity.

## 2. Tax Status of the Charity

The Guildhall Library Centenary Fund is a registered charity and as such its income and gains are exempt from income tax to the extent that they are applied to its charitable purposes.

## 3. Incoming Resources

Income on investments for the year amounted to £610 (2013/14 £610). In addition there was a £500 donation received from Lloyd Rehman & Co (2013/14 nil).

## 4. Resources Expended

There was no expenditure incurred during the year as there were no opportunities to advance the education and training of the public.

## 5. Support and Governance Costs

### **Staff numbers and costs**

The charity does not employ any staff. Officers of the City of London Corporation provide administrative assistance to the charity when required, but this is not considered material and is not separately calculated by the City of London Corporation. It is consequently not possible to quantify this assistance in the Statement of Financial Activities.

### **Auditor's remuneration and fees for external financial services**

The City of London's external auditor audits this charity as one of the numerous charities administered by the City of London Corporation. The City of London Corporation does not attempt to apportion the audit fee between all the different charities but prefers to treat it as part of the cost to its private funds. No other external financial services were provided for the Fund during the year or in the previous year.

## GUILDHALL LIBRARY CENTENARY FUND

### Notes to the Financial Statements for the year ended 31 March 2015 (continued)

#### 6. Other Items of Expenditure

##### Trustee's expenses

Members of the City of London Corporation acting on behalf of the Trustee received no remuneration or reimbursement of expenses during the current or previous years.

#### 7. Investment Assets

The value and cost of investments comprises:

	<b>Endowment Fund</b>	
	<b>2015</b>	2014
	£	£
Market Value 1 April	13,728	12,790
Net investment gain	884	938
<b>Market value 31 March</b>	<b>14,612</b>	<b>13,728</b>
<b>Cost 31 March</b>	<b>1,769</b>	<b>1,769</b>
Number of Charities Pool (Units)	1,769	1,769

The table below highlights the amount of investments held within the UK and overseas:

	<b>2015</b>	2014
	£	£
Equities		
UK	<b>11,485</b>	10,213
Overseas	<b>2,177</b>	2,635
Bonds - UK	<b>365</b>	384
Pooled Units - UK	<b>468</b>	178
Cash held by Fund Manager	<b>117</b>	318
<b>Total Funds</b>	<b>14,612</b>	13,728

The majority of the charity's surplus funds are invested within the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management LLP and the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).

As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%.

## GUILDHALL LIBRARY CENTENARY FUND

### Notes to the Financial Statements for the year ended 31 March 2015 (continued)

#### 8. Analysis of Net Assets by Fund at 31 March 2015

	Unrestricted Funds	Endowment	Total	Total
	General	Fund	2015	2014
	£	£	£	£
<b>Fixed Assets</b>				
Investments	-	14,612	14,612	13,728
<b>Total Fixed Assets</b>	<b>-</b>	<b>14,612</b>	<b>14,612</b>	<b>13,728</b>
Current Assets	8,766	-	8,766	7,656
<b>Total Net Assets</b>	<b>8,766</b>	<b>14,612</b>	<b>23,378</b>	<b>21,384</b>

#### 9. Movement of Funds during the year to 31 March 2015

	Balance at 1 April 2014	Net Incoming Resources	Revaluation of Investments	Balance at 31 March 2015
	£	£	£	£
<b>Permanent Endowment Unrestricted Funds</b>	13,728	-	884	<b>14,612</b>
General	7,656	1,110		<b>8,766</b>
<b>Total Funds</b>	<b>21,384</b>	<b>1,110</b>	<b>884</b>	<b>23,378</b>

#### Notes to the funds-

##### Capital Fund - Permanent Endowment

This fund represents the original endowment invested and shown at current market value.

##### Income Fund –Unrestricted

This fund comprises the accumulation of revenue surpluses pending use of the fund by the Guildhall Librarian.

#### 10. Details of related parties and wider networks

The following disclosures are made in recognition of the principles underlying Financial Reporting Standard 8 concerning related party transactions.

The City of London Corporation is also the Trustee of a number of other Charitable Trusts. With the exception of the City of London Charities Pool, these Trusts do not undertake transactions with the Guildhall Library Centenary Fund.

A full list of these Trusts is available on application to the Chamberlain of London.