

# Guildhall Library Centenary Fund

Annual Report and Financial Statements for the year  
ended 31 March 2021

Charity registration number 206950

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## ORIGINS OF THE CHARITY

The Charity in its current form is a merger of three very small charities following a review of these within the City Corporation in 2011. 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.

It covers all the City of London collections outlined under *Objectives and Activities for the public benefit*. The key overall target is for the funds to be acquired and used for the purchase and conservation of items for and in these collections as the need arises. Additionally, the Fund will seek to identify small projects that deliver on the cross-collection nature of the charity and in particular the education of the public, potentially using funds as partner funding for external grant applications.

# TRUSTEE'S ANNUAL REPORT

## STRUCTURE AND GOVERNANCE

### GOVERNING DOCUMENTS

The governing document of the charity 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 transfer of the assets of the English Philological Endowment Fund (Charity number 306000) and the Alderman Samuel Wilson's Gift of Harbinger's Portraits (unregistered). The charity is constituted as a charitable trust.

### GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of Guildhall Library Centenary Fund. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

- **Policy and Resources Committee** – responsible for allocating resources and administering the charity.
- **Investment Committee** – responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.
- **Audit and Risk Management Committee** – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Culture, Heritage and Libraries Committee** – responsible for the activities undertaken by the Guildhall Library Centenary Fund charity and acting as Trustee of the charity.

The Culture, Heritage and Libraries Committee of the City of London Corporation administers the Charity 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.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk)

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during the year and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

## **ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS**

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 23.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

## **INDUCTION AND TRAINING OF MEMBERS**

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

## **OBJECTIVES AND ACTIVITIES**

The objective for Guildhall Library Centenary Fund is to advance the education and training of the public through the provision and conservation of library, archive, museum and gallery collections.

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.

The Charity Governance Code was published in July 2017. The Trustee is supportive of the Code and its aim to assist in the development of high standards of governance throughout the charity sector. The Trustee is currently considering application of the recommended practice to the work of the Guildhall Library Centenary Fund charity.

## **Fundraising**

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Although Guildhall Library Centenary Fund charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received no complaints in relation to fundraising activities in the current year (2019-20: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

## **Investment Policy**

The charity’s investments are held in units of the City of London Charities Pool (registered charity 1021138). 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 (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 23.

## **Public benefit statement**

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Guildhall Library Centenary Fund’s aims and objectives and in planning future activities. The purpose of the charity is to advance the education and training of the public, in particular but not exclusively by the purchase of works of art, books, prints and articles of historical, archaeological or literary interest for the Guildhall Library.

Consequently, the Trustee considers that Guildhall Library Centenary Fund operates to benefit the general public and satisfies the public benefit test.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

The administrative details of the charity are stated on page 23.

## **ACHIEVEMENTS AND PERFORMANCE**

Because of the global coronavirus pandemic, there was not an opportunity to take forward the aims of the charity during the current year. These will be addressed during 2021-22.

## **PLANS FOR FUTURE PERIODS**

The key overall target is for the funds to be acquired and used for the purchase and conservation of items for and in these collections as the need arises. Additionally, the Fund will seek to identify small projects that deliver on the cross-collection nature of the charity and in particular the education of the public, potentially using funds as partner funding for external grant applications to try and ensure that the aims of the charity are met in 2021/22.

The Fund will continue to be used for the purchase and conservation of items for and in these collections as the need arises, as well as to support projects and exhibitions (potentially as partner funding for external grant applications) that deliver on the cross-collection nature of the charity and in particular the education of the public.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 16.

## FINANCIAL REVIEW

### Overview of Financial Performance

#### Income

In 2020/21 the charity's total income for the year was £537, an overall decrease of £5,017 against the previous year (2019/20: £5,554). The principle source of income was dividends and interest of £537 during the year (2019/20: £554). There were no grants received during the year (2019/20: £5,000).

#### Expenditure

There was no expenditure for the year (2019/20: £1,300) largely due to the global pandemic which meant there were no opportunities to take forward the aims of the charity.

#### Funds held

The charity's total funds held increased by £2,709 to £20,858 as at 31 March 2021 (2019/20: £18,149). Within the total funds held, £10,902 (2019/20: £8,751) represent permanent endowment funds which are held in perpetuity as a capital fund to generate income for the primary objectives of the charity.

Unrestricted Funds increased during the year by £558 to £4,956 (2019/20: £4,398). There was no change to the Restricted Funds.

Details of all funds held, including their purposes, is set out within note 10 to the financial statements.

#### Investments performance

Financial markets recovered strongly over the twelve months to 31 March 2021 following the decline in asset prices in early 2020 during the emergence of the global pandemic. Under these conditions investments held in the Charities Pool performed very well, generating a gross return of +30.72% for 2020/21 (2019/20: -14.78%) which compares favourably against the FTSE All Share Index benchmark return of +26.71% (2019/20 -18.45%). As a result the longer term performance of the Charities Pool investments, as displayed in the table below, has significantly improved compared to the position reported twelve months ago.

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
Fund	<b>+5.04%</b>	<b>+7.19%</b>	-2.44%	+1.37%
FTSE All Share	<b>+3.19%</b>	<b>+6.29%</b>	-4.24%	+0.57%
<b>Fund outperformance</b>	<b>+1.85%</b>	<b>+0.90%</b>	+1.80%	+0.80%



	<b>Total at 31 March 2021</b>	<b>Total at 31 March 2020</b>
	£	£
Equities		
UK	<b>8,906</b>	<b>6,756</b>
Overseas	<b>1,265</b>	<b>1,015</b>
Bonds - UK	-	-
Bonds - Overseas	-	-
Pooled Units	<b>578</b>	<b>630</b>
Cash held by Fund Manager	<b>153</b>	<b>350</b>
<b>Total</b>	<b>10,902</b>	<b>8,751</b>

### **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 Trustees have the discretion to distribute the permanent endowment as grants should they deem this appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee has revised its reserves policy in 2020/21 to meet future working capital needs. The Trustee believes that a minimum amount of £2,000 should be held at present, which will be subject to annual review. As at 31 March 2021 the charity held £4,398 as free reserves, amounts which are available to support charitable activities in future years.

### **Principal Risks and Uncertainties**

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

## TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Jamie Ingham Clark FCA

Chairman of Finance Committee of  
The City of London Corporation

Guildhall, London

7 December 2021

Jeremy Paul Mayhew MA MBA,

Deputy Chairman of Finance  
Committee of The City of London  
Corporation

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF GUILDHALL LIBRARY CENTENARY FUND

## Opinion on the 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 2021 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.

We have audited the financial statements of Guildhall Library Centenary Fund ("the Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet and notes to the financial statements, including a summary of significant 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).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## *Independence*

We remain independent of the Charity in accordance with the ethical requirements 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.

## Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

### **Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustee's Annual Report. 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. 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.

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

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

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate 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.

### **Responsibilities of Trustee**

As explained more fully in the Trustee's responsibilities statement, the Trustee is 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 Trustee determines 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 Trustee is responsible for assessing the Charity'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 Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and the sector within which it operates. This included but was not limited to compliance with the Charities Act 2011, United Kingdom Accounting Standards, and tax legislation;
- We held discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- We requested and reviewed any regulatory correspondence, in particular compliance with the Charity Commission, and details of legal expenses;
- We addressed the risk of management override, in particular by testing any journal entries containing material or round sum amounts, and any irregular journals;
- We have considered the control environment at both entity level and financial statement level to consider the ability to detect and prevent fraud; and
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations that have a direct effect on the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and

regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 Charity's trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustee 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 the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Heather Wheelhouse, Senior Statutory Auditor  
BDO LLP, statutory auditor  
London, UK

**XX** December 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2020/21 Total Funds £	2019/20 Total Funds £
<b>Income from:</b>						
Voluntary activities	2	-	-	-	-	5,000
Investments	3	537	-	-	537	554
<b>Total income</b>		537	-	-	537	5,554
<b>Expenditure on:</b>						
Charitable activities	4	-	-	-	-	1,300
<b>Total expenditure</b>		-	-	-	-	1,300
Net gains/(losses) on investments	8	-	-	2,151	2,151	(1,679)
Net unrealised gains on investments	8	21	-	-	21	-
<b>Net income and net movement in funds</b>		558	-	2,151	2,709	2,575
<b>Reconciliation of funds:</b>						
Total funds brought forward	10	4,398	5,000	8,751	18,149	15,574
<b>Total funds carried forward</b>	10	4,956	5,000	10,902	20,858	18,149

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 16 to 22 form part of these financial statements.



## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 Total £	2020 Total £
<b>Fixed assets:</b>			
Investments	8	10,902	8,751
<b>Total fixed assets</b>		<b>10,902</b>	<b>8,751</b>
<b>Current assets</b>			
Cash at bank and in hand		9,956	9,398
<b>Total current assets</b>		<b>9,956</b>	<b>9,398</b>
<b>Total net assets</b>		<b>20,858</b>	<b>18,149</b>
<b>The funds of the charity:</b>			
Permanent endowment funds	10	10,902	8,751
Restricted income funds	10	5,000	5,000
Unrestricted income funds	10	4,956	4,398
<b>Total funds</b>		<b>20,858</b>	<b>18,149</b>

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 16 to 22 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX December 2021

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ACCOUNTING POLICIES

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

### (a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

### (b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the financial position, including the value of investments held and the liquidity of the charity in light of planned expenditure and the ongoing impact of Covid-19 over the next 12-month period. The policy of only contributing funds from available unrestricted income, provides the flexibility to ensure the long-term viability of the charity despite previous reductions in investment values that occurred as a result of Covid-19. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

### (c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

**(d) Statement of Cash Flows**

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

**(e) Income**

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of managed investments.

**(f) Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

**(g) Taxation**

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**(h) Heritage Assets**

On acquisition, heritage assets are initially recorded in the balance sheet at cost (for those acquired by purchase) or at valuation (for those acquired by donation), where such information is available.

In 2020/21, it was discovered that three paintings hung in Guildhall Art Gallery are legally owned by the Guildhall Library Centenary Fund, following a transfer from another charity in a 2011 scheme (which did not specifically name the assets). The paintings are held to advance education and training of the public in line with the objects of the Charity.

The Trustee does not consider that reliable cost or valuation information can be obtained for the paintings because of their unique features and the lack of comparable market values, and the lack of a valuation at the original date of transfer. Furthermore, the Trustee believes that the cost of obtaining a valuation of these assets would be onerous compared with the benefit that would be derived by users of the financial

statements in assessing their stewardship of the assets. The Charity does not therefore recognise these assets on its balance sheet.

In accordance with the requirement of Section 34 of FRS 102 and Section 18 of SORP FRS 102, note 7 to the financial statements provides additional disclosures on the nature and significance of the charity’s heritage assets, and access information.

**(i) Investments**

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

**(j) Funds structure**

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

**Permanent endowment fund** – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

**Restricted funds** – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

**Unrestricted income funds** – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

**(k) Indemnity insurance**

The City of London Corporation takes out indemnity insurance in respect of all its activities. The charity does not contribute to the cost of that insurance.

**2. INCOME FROM VOLUNTARY ACTIVITIES**

	Restricted funds £	Total 2020/21 £	Restricted funds £	Total 2019/20 £
Grants	-	-	5,000	5,000

### 3. INCOME FROM INVESTMENTS

	Unrestricted funds <b>2020/21</b> £	<b>Total</b> <b>2020/21</b> £	Unrestricted funds 2019/20 £	Total 2019/20 £
Interest	<u>537</u>	<u>537</u>	<u>554</u>	<u>554</u>

### 4. EXPENDITURE

#### Expenditure on charitable activities

	Direct costs £	<b>Total</b> <b>2020/21</b> £	Direct costs £	Total 2019/20 £
Other	<u>-</u>	<u>-</u>	<u>1,300</u>	<u>1,300</u>

There was no expenditure incurred during the year (2019/20 £1,300). In 2019/20 expenditure incurred was to auction purchase of 32 Victorian lantern slides showing life in the east end of London to advance the education of the public.

### 5. AUDITOR'S REMUNERATION

BDO are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2020/2021 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: nil).

### 6. TRUSTEE EXPENSES

The members of the Culture, Heritage and Libraries Committee of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2020/21 (2019/20: nil).

### 7. HERITAGE ASSETS

The Guildhall Library Centenary Fund holds three items which meet the definition of heritage assets, being two paintings by Alexander Ripplingille and one by Sir John Newton, referred to as the 'Harbinger paintings'.

The three paintings are held by the Guildhall Art Gallery which is free to the public and accessible during opening hours; and they are preserved and managed by the staff of

the Gallery who are considered to be experts in this field. One painting is currently hanging whilst the other two are in store; members of the public can request a viewing of any paintings not on current display by contacting the Gallery team, and all paintings held in the collection are accessible online via the London Picture Archive.

The paintings are held on a long term basis for use in the charity's objects.

Whilst no reliable cost or valuation information is available, and obtaining such valuation would be onerous given the size and activities of the charity, it is helpful (as per Charity SORP 18.26) for the users of the financial statements to be aware that the insurance values of the three paintings is £20,463.

## 8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charities Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Market value 1 April	8,751	15,426
Additions	-	-
Disposals	-	(4,996)
Gain/(Loss) for the year	2,151	(1,679)
<b>Market value 31 March</b>	<b>10,902</b>	<b>8,751</b>
<b>Cost 31 March</b>	<b>1,233</b>	<b>1,233</b>
Units held in Charities Pool	<b>1,233</b>	<b>1,233</b>

The type of listed investments held as at 31 March 2021 was as follows:

	<b>Total at 31 March 2021</b>	<b>Total at 31 March 2020</b>
	<b>£</b>	<b>£</b>
Equities		
UK	<b>8,906</b>	<b>6,756</b>
Overseas	<b>1,265</b>	<b>1,015</b>
Bonds - UK	-	-
Bonds - Overseas	-	-
Pooled Units	<b>578</b>	<b>630</b>
Cash held by Fund Manager	<b>153</b>	<b>350</b>
<b>Total</b>	<b>10,902</b>	<b>8,751</b>

## 9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2021	Unrestricted funds			Total at 31 March 2021	Total at 31 March 2020
	General funds	Restricted funds	Endowment funds		
	£	£	£		
Fixed assets - investments	-	-	10,902	<b>10,902</b>	8,751
Current assets	4,956	5,000	-	<b>9,956</b>	9,398
<b>Total</b>	<b>4,956</b>	<b>5,000</b>	<b>10,902</b>	<b>20,858</b>	<b>18,149</b>

At 31 March 2020	Unrestricted funds			Total at 31 March 2020	Total at 31 March 2019
	General funds	Restricted funds	Endowment funds		
	£	£	£		
Fixed assets - investments	-	-	8,751	<b>8,751</b>	15,426
Current assets	4,398	5,000	-	<b>9,398</b>	148
<b>Total</b>	<b>4,398</b>	<b>5,000</b>	<b>8,751</b>	<b>18,149</b>	<b>15,574</b>

## 10. MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Unrealised gains & (losses)	Transfers	Total as at 31 March 2021
	£	£	£	£	£	£	£
Endowment funds:							
Permanent endowment	8,751	-	-	2,151	-	-	<b>10,902</b>
Restricted funds:	5,000	-	-	-	-	-	<b>5,000</b>
Unrestricted funds:							
General funds	4,398	537	-	-	21	-	<b>4,956</b>
<b>Total funds</b>	<b>18,149</b>	<b>537</b>	<b>-</b>	<b>2,151</b>	<b>21</b>	<b>-</b>	<b>20,858</b>

At 31 March 2020	Total as at 1 April 2019	Income	Expenditure	Gains & (losses)	Unrealised gains & (losses)	Transfers	Total as at 31 March 2020
	£	£	£	£	£	£	£
Endowment funds:							
Permanent endowment	15,426	-	-	(1,679)	-	(4,996)	8,751
Restricted funds:	-	5,000	-	-	-	-	5,000
Unrestricted funds:							
General funds	148	554	(1,300)	-	-	4,996	4,398
<b>Total funds</b>	<b>15,574</b>	<b>5,554</b>	<b>(1,300)</b>	<b>(1,679)</b>	<b>-</b>	<b>-</b>	<b>18,149</b>

### Purpose of endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

This fund represents the original endowment invested and shown at current market value. The purpose of the fund is:

To build up an endowment fund to care for the special collections housed within Guildhall Library for the use of future generations

To build up a fund which enables the purchase of rare, unique and expensive items which would complement the holdings of Guildhall Library for the public to enjoy.

### Purpose of restricted funds

In 2019/20 the charity received a grant of £5,000 to contribute towards specific works at the Guildhall Library, therefore the grant is being held in a Restricted Fund until the works are able to take place.

## 11. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at [www.cityoflondon.gov.uk](http://www.cityoflondon.gov.uk).

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date.

Related party	Connected party	2020/21 £	2019/20 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	<b>537</b> <b>(nil)</b>	554 <b>(nil)</b>	Distribution from the Charities Pool



## REFERENCE AND ADMINISTRATION DETAILS

**CHARITY NAME:** Guildhall Library Centenary Fund

Registered charity number: 206950

**PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:**

Guildhall, London, EC2P 2EJ

**TRUSTEE:**

The Mayor and Commonalty & Citizens of the City of London

**SENIOR MANAGEMENT:**

**Chief Executive**

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

**Treasurer**

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Peter Kane - The Chamberlain of the City of London Corporation (retired 30 April 2021)

**Solicitor**

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

**AUDITORS:**

BDO LLP, 55 Baker Street, London, W1U 7EU

**BANKERS:**

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

**INVESTMENT ADVISORS:**

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

[PA-DeputyChamberlain@cityoflondon.gov.uk](mailto:PA-DeputyChamberlain@cityoflondon.gov.uk)