



**GRESHAM'S FOUNDATION**  
(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**Company Number: 05428934**  
**Charity Number: 1109441**

**GRESHAM'S FOUNDATION**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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# GRESHAM'S FOUNDATION

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020



The Trustees present their report and audited financial statements for the year ended 31 August 2020.

### Reference and Administrative Information

<b>Charity Name</b>	The Gresham's Foundation	
<b>Operating Name</b>	The Foundation	
<b>Company Number</b>	05428934	
<b>Charity Number</b>	1109441	
<b>Registered Office</b>	Gresham's School Cromer Road Holt NR25 6EA	
<b>Trustees</b>	Andrew Martin Smith (Chairman) (appointed 10 October 2019) Nigel Banks (Chairman) (resigned 10 October 2019) Diana Brocklebank-Scott Benjamin Du Brow Michael Goff Paul Marriage Roderick Peacock	
<b>Development Director</b>	Edward Margetson	(appointed 30 September 2019)
<b>Auditors</b>	Haymacintyre LLP 10 Queen Street Place London EC4R 1AG	
<b>Bankers</b>	Barclays Corporate 3 St James Court Whitefriars Norwich NR3 1RJ	
<b>Solicitors</b>	Birketts LLP 22 Station Road Cambridge CB1 2JD	
<b>Investment Advisors</b>	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ  Phillip Newell Memorial Fund: Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR	

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## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### *Governing document*

Gresham's Foundation was incorporated under the Companies Act 1985 on 19 April 2005 as a company limited by guarantee, and is governed by its Memorandum and Articles of Association as amended by certificate of incorporation on change of name dated 3 July 2013 as amended by certificate of incorporation on change of name dated 26 July 2013 as amended on 29 June 2018. The company is registered with the Charity Commission.

### *Recruitment and appointment of Trustees*

It is the Board of Trustees' collective responsibility to ensure that the organisation is fit for purpose and to determine and support its strategic direction in order to enable it to attain its stated objectives. The charity aims to recruit Trustees with a wide range of relevant experience. Following a governance review carried out by existing Trustees, in consultation with a major donor, the Fishmongers' Company, the Constitution of the Gresham's Foundation was changed in June 2018. Under the new constitution, Fishmongers, Gresham's School and the Old Greshamian Club can each appoint two Trustees.

### *Induction and training of Trustees*

All new Trustees are provided with copies of:

- The Memorandum and Articles of Association
- The latest accounts of the Charity
- Charity Commission guidance notes CC3 - "The Essential Trustee"

In addition, Trustees are encouraged to read Charity Commission and other relevant publications and to attend courses designed to keep them abreast of their duties and responsibilities.

### *Risk management*

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to mitigate identified risks.

### *Organisational structure*

The Trustees, who meet on a regular basis, administer the Charity, whilst the day to day running of the Charity is delegated to the Development Director and administrative team. The Development team consists of a Director of Development, an Alumni Manager and a Development Administrator, located on the ground floor of the main reception building at Senior School.

### *Related parties*

Gresham's School (Company Registration number 5196298 and Charity Commission Registration number 1105500) benefits directly from the objects of the charity.

## **OBJECTIVES AND ACTIVITIES**

The objects of the charity are:

The advancement and promotion of charitable purposes connected with Gresham's School and any other charitable purposes connected with or otherwise associated with the School; and

The advancement and promotion of education in general whether or not in conjunction with any other parties from time to time and mainly, but not exclusively, within England and Wales.

### *Public Benefit*

The Trustees have considered the guidance contained in the Charity Commission's general guidance on public benefit when exercising their powers and duties and planning the future activities of the charity.



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## **ACHIEVEMENTS AND PERFORMANCE**

The COVID-19 pandemic has had a noticeable impact on the School's and Development Office's events function as well as, but to a lesser extent, on the fundraising efforts of the Gresham's Foundation. This is reflected in the reduced reporting below and the income generated for the year ending 31 August 2020. The Foundation's unrestricted, restricted and endowment funds were all significantly affected as a result of the pandemic.

Levels of engagement with Old Greshamians (OGs) and the wider Gresham's community have, however, remained high, particularly prior to the lockdown period as well as on a more remote and virtual level over the second half of the financial year.

### **Events**

A number of successful events, tours and gatherings took place in the first half of the year for OGs, friends and supporters, such as:

- London Drinks (September 2019) with more than 140 OGs in attendance
- Former Common Room Association Drinks (November 2019)
- 2019 Gresham's Musical 'Sweet Charity' (November 2019) attended by around 30 guests (Governors, Trustees and donors) to thank them for their support
- OG Carol Service, Blakeney Church (December 2019)
- 'Goodbye to the Scruff Shacks' drinks reception (February 2020) attended by more than 40 OGs

Events that were planned but had to be cancelled included:

- Sir John Gresham Society Lunch (May 2020)
- Class of 1990, 30-year reunion (May 2020)
- Over 60s lunch (May 2020)
- Presentation to 2020 Leavers (May 2020)
- OG Masonic Lodge Dinner (June 2020)
- Royal Norfolk Show (June 2020)

OGs and family members were welcomed back to the School in the first half of the year. During their visits, the Development team gave them personalised tours of the campus.

### **School Events**

The Development Team assisted the School Careers Coordinator during the Futures Fair (December 2019), Lower 6<sup>th</sup> Conference (February 2020) and Business Breakfast event (March 2020).

The Development Team attended and found speakers for the Business Breakfast and Gap Year Evening (February 2020) and also assisted with the International Careers Event (November 2019).

### **Training**

The Alumni Manager and Development Administrator attended the IDPE Regional Conference (November 2019) at Culford School, Bury St Edmunds.

Ongoing support received from Graduway in relation to Gresham's Global Connect and the team has been invited to podcasts and conferences online.



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**ACHIEVEMENTS AND PERFORMANCE (continued)**

**FUNDRAISING INITIATIVES**

All US OGs received a mailing in November 2019 requesting their support of the Foundation.

The annual OG Magazine, which is sent to the entire alumni base, included an insert that raised awareness of the Foundation's Bursary Fund and the need to increase support for the Fund. The magazine was sent out in November 2019.

A large email fundraising and stewardship campaign was scheduled to occur after the Easter break including a 16 page report which would detail the impact of support for the School and Foundation in recent years as well as the plans for the future. It was decided that Easter was not right time for this appeal and so the report was instead sent out in August 2020. Numerous hard copies of the report have also been sent to thank current and past donors for their support, along with requests for support for the Foundation from other individuals and Trusts.

A dedicated group of individuals who will champion the Bursary Fund amongst OG peers, as well as offer support in other manifestations, is in the latter stages of being formed. Similarly, the Eccles Project - a dedicated sports building offering changing facilities and a viewing concourse - has been promoted but it is expected that the coming academic year will see far greater involvement from OGs and the wider Gresham's community, in turn helping the School and Foundation reach an ambitious fundraising target for the capital campaign.

**DONATIONS**

The Fishmongers' Company donated a further property to the Foundation (four properties were donated in the 2018-19 financial year) following the extraordinary meeting of the Trustees held in February 2020 to accept the donation. The property donated was 6 Woodlands Close, Holt. The total value of the property donated was £500,000. The transfer was completed on 19<sup>th</sup> August.

Six Old Greshamians and Friends of the School made major contributions totalling £5,000 or more to the Bursary Fund (2019: 3 donors), which amounted to £113,380 (2019: £45,000). Excluding the donation of the Woodlands Close property, the Fishmongers' Company made donations of £212,358 to fund bursaries (2019: £273,425).

The Foundation has once again provided significant funding to the School that has helped support 17% of the total value of bursaries awarded throughout the year.

No legacy gifts were received throughout the year (2019 legacy income: £1,000); however, the Foundation was notified that an OG has left a legacy to the Philip Newell Memorial Fund and which will be received by December 2020 and as such the legacy of £500 has been recognised in the year.

The number of donors to the Foundation increased from 99 (2019) to 145. There were 44 new donors to the Foundation throughout the year. There was a significant increase in the number of parents donating to the Foundation, the majority of which was in lieu of fee discounts offered to them by the School due to the impact of Covid-19 pandemic. 36 parents made contributions of this kind throughout the year amounting to £16,710.

Donations from the British Schools and Universities Foundation, which are donations from North American supporters, amounted to £1,858 (2019: £4,163).

Three more seats in the Auden Theatre were sponsored; the campaign is ongoing.

One generous supporter continues to help fund the School's conservation efforts. Support totalling over £4,000 has funded the building of a new pond in the Woods, which will be used extensively by Gresham's pupils upon completion by the end of 2020.

Six individuals kindly gave gifts in kind to the School.

### **DONATIONS (continued)**

It was agreed in the meeting of the Trustees in June 2020 that additional support to those families greatly affected by Covid-19 pandemic will be awarded throughout 2020-21 and on a case by case basis. The School itself continues to offer what support it can to families who are struggling to pay school fees.

The Foundation has provided funding to the School through small grants totalling £10,224 for the following projects and initiatives:

- The Rifle Club (replacement gazebo);
- CCF RAF (flight simulator training programme);
- Geography Department (weather and climate fieldwork devices);
- Prep School Design & Technology Department (robotics kits);
- Prep School (Kim's Garden benches);
- Pre-Prep IT Department (Bee-Bot Hive: computer learning devices).

### **PUBLIC BENEFIT**

The School's Strategic Plan 2020-25 will emphasise the need to continue to widen access to Gresham's and the importance of doing so. The School wishes to ensure pupils, regardless of background or ability to pay fees, are able to benefit from and add to what makes Gresham's such a special school. Supporting pupils with bursary support and offering a challenging and enlightening education are at the heart of the School's very ethos.

Donations to the Foundation in support of bursaries have greatly helped to ensure that the School can maintain its level of bursary support. The Foundation makes significant, annual contributions towards the School's bursary commitment, a commitment which consistently provides over 20% of pupils in the Senior School with bursarial provision each year.

In 2020, 36 pupils received life-changing awards, which cover between 76% and 100% of school fees. The remaining support is for top-up bursaries: crucial support that enables families to send their child to Gresham's.

Thanks to donations from the Fishmongers' Company to the Foundation in particular, up to four life-changing awards in total are made every year to pupils from Great Yarmouth Charter Academy and the Ormiston Venture Academy. Pupils from both of these schools have had great success whilst at Gresham's, both in and outside of the classroom. Two of this year's cohort of award holders began undergraduate courses at Cambridge in September 2020.

Gresham's continues to develop links with many other state schools across Norfolk, as well as with UK social mobility charities, whose aims include widening access to leading independent schools, such as the Springboard Bursary Foundation. Donations to the Foundation help to support these partnerships and initiatives, ensuring a growing number of young people will benefit from the support, teaching and opportunities that Gresham's can offer.

### **DATA PROTECTION**

The team continues to comply with GDPR and action any opt-out from communications.

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## **WEBSITE, MARKETING & FURTHER ENGAGEMENT WITH OGs**

Gresham's Global Connect, a new online networking platform, was launched in May 2019 and over 4,100 OGs were asked if they would sign up. In August 2020 we had 832 registered users of which 40% were 'willing to help' with Careers.

The Foundation's website is continually updated to ensure content is accurate and social media in the form of Facebook, Twitter newsfeeds and Gresham's Global Connect allow frequent communication with the OG and School network, highlighting news and successes.

The 2019 OG Magazine was mailed out in November 2019 to over 6,000 OGs. The 2020 issue has been collated throughout the year, with advertising secured, and is expected to be circulated by November 2020.

The E-newsletter lends itself to supporting our fundraising initiatives and GDPR responsibilities, and allows for granular tracking and metrics to help refine our approach and reports feedback.

Throughout the lockdown period, a number of OGs provided virtual educational content that was shown to and used by Gresham's pupils. This included seminars, Q&As and videos on a whole host of subject matters. The School's efforts to support the local community, and specifically in support of disadvantaged children and children of key workers, has also been aided by OG involvement and support.

A great number of messages of support for current pupils were sent in by Tallis OGs, which was compiled and placed in the Tallis Yearbook ('The Kestrel'). An OG covered the cost of printing the publication.

The Gresham's Foundation and Supporters' Report (as mentioned previously under Fundraising Initiatives) was sent to more than 3,000 OGs by email in August and will be included with the 2020 OG Magazine. This was used to thank current and past supporters of the School and Foundation, as well as help raise awareness amongst non-supporters of the impact of supporting the School.

The Development Team regularly provides updates to Governors, the OG Committee and content for inclusion in the Headmaster's Senior School Newsletters.

## **FINANCIAL REVIEW**

The net inflow of funds for the year amounted to £567,000 (2019: £1,704,000). The permanent Endowment Fund decreased by £8,000 (2019: £11,000) due to losses on investments while the Philip Newell Memorial Fund fell by £3,000 (2019: remained static). The bursary fund for pupils at Gresham's School had a year-end balance of £1,384,000 (2019: £1,324,000).

### *Reserves policy*

The total reserves of the Foundation amount to £4,787,000 (2019: £4,220,000) of which £2,296,000 (2019: £1,773,000) is unrestricted free reserves. The objectives of the Foundation require substantial funds so the Trustees' priority is to build up reserves to meet the annual cost of bursaries and operating costs and help fund capital projects.

### *Investment policy*

The Trustees' policy is to maximise the total return on the Foundation's investments whilst maintaining a balance between rising income and long term capital growth. Rathbones continues as the Trustees' Investment Advisors and the cash previously held in various deposit accounts was transferred to Rathbones during the year with the cash being invested in both Restricted Funds for Bursaries and Unrestricted Funds for other purposes.



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## **FUTURE PLANS**

### **Events/Stewardship**

The following events will be rescheduled as and when it is safe to do so:

- Class of 1990, 30-year reunion
- Over 60s Lunch
- London Drinks at Fishmongers' Hall
- School musical may be recorded and shared with donors and friends

### **Fundraising/Donations**

The campaign to support the Foundation's Bursary Fund will continue to be heavily promoted. A group of committed individuals, most of whom are OGs, has been formed and will help the Foundation meet ambitious income targets that align with and help support the School's bursary commitment.

There will be ongoing efforts to increase regular giving amongst OGs, former parents and friends of the school, which will greatly benefit the opportunities afforded to pupils and help to underpin the School's bursary commitment. Such efforts will include mailing, e-mailing and telephone approaches to request support for the Foundation.

Securing legacy commitments remains a long term aim of the Foundation. New literature will be produced and a small scale appeal undertaken to help promote legacy giving throughout the year.

The Eccles Project capital campaign remains in its infancy. A committee, much like that of the Bursary Fund, will be formed and a concerted effort to seek major support for the campaign will occur throughout the year.

A telephone campaign that will involve current pupils or recent leavers engaging with Old Greshamians will be conducted either at Easter or in summer 2021.

We will continue to ensure that relationships with our current supporters are strengthened and that opportunities for continued or increased giving are available.

## **RISK MANAGEMENT**

On an ongoing basis the Trustees assess the major risks to which the Foundation is exposed and they are satisfied that systems are in place to manage all identified risks.

The Foundation was registered with the Fundraising Regulator in October 2019. This step will help ensure OGs and the wider Gresham's Community alike are well informed of the intentions of the Foundation and Development Office, as well as their rights to request less or no contact from the School with regards to marketing and fundraising appeals.

The Trustees view the risks in terms of impact and probability. They have identified the following as the most significant to the ongoing operation of the Foundation:

*Maintaining and increasing the levels of support for the Foundation:* The Trustees are conscious of the negative impact that the pandemic could have on both maintaining the level of support from donors to the Foundation and on the expectation that such support will increase in comparison to recent years. A repercussion of the pandemic could be that individuals, trusts and foundations might be less willing or able to support the Foundation and School. However, in light of the ongoing generosity of a number of loyal donors, including that of the Fishmongers' Company, as well as the fundraising opportunities and discussions that are ongoing, the Trustees are confident that the level of support shown for the Foundation will not diminish but instead grow and offer increased support for the School's charitable objectives in the coming year.

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**RISK MANAGEMENT (continued)**

Further to the above, a number of fundraising appeals have been planned for the year ahead. In particular, a continuing focus on support of bursaries will be sought as well as support of a capital project for sport. Individual approaches to donors and prospective donors, as well as mailings and a telephone campaign – which will see hundreds of Old Greshamians called and asked to support the Foundation – will all be conducted throughout the year and help to secure support for the Foundation.

*Governance:* Although the pandemic has made it harder to conduct 'in-person' meetings between Trustees and representatives of the School, this has been substituted by increasing communication via other channels. This includes conducting the termly Foundation Trustees' meeting online, thereby ensuring all matters arising are successfully raised, discussed and minuted.

The Trustees believe that all matters relating to the Foundation and which require attention will not be affected by the pandemic and will continue to be addressed in a considered and timely manner.

*Correct use of Restricted Funds.* All gifts are logged according to an established protocol ensuring that the donor's wishes are met regarding the allocation of their gift.

**KEY MANAGEMENT**

The key management of the Foundation are the Trustees. They give their time freely.

**FUNDRAISING POLICY**

The Foundation informs supporters of its fundraising activity via direct mail, email and fundraising events and email in line with the Fundraising Code of Practice set by Fundraising Regulator. Our fundraising promise (*which is under our privacy policy*) is as follows:

When you support you can be sure of the following:

- We will never sell your contact details to anyone.
- We will only contact you if you have expressed an interest in our work.
- If you ask us to change how we communicate with you, or stop, we will respect that.
- We do not engage in cold-calling, door to door or street fundraising.
- We try hard to ensure no one ever feels pressurised to support our work.
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice.
- All our activities are open, fair, honest and legal.

We have a training programme for all our fundraising staff to regularly reinforce our fundraising ethics.

There were no complaints about fundraising activity received in the year.

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**TRUSTEES' RESPONSIBILITIES**

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP, second edition ("SORP 2015");
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue on that basis.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we confirm that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**AUDITOR**

Haysmacintyre, LLP Chartered Accountants, have indicated that they are willing to be reappointed as auditor at the forthcoming Annual General Meeting.

On behalf of the Trustees on 10 December 2020



Andrew Martin Smith  
Chairman

## INDEPENDENT AUDITORS' REPORT

### TO THE TRUSTEES OF GRESHAM'S FOUNDATION

### FOR THE YEAR ENDED 31 AUGUST 2020

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#### **Opinion**

We have audited the financial statements of Gresham's Foundation for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of the state of the charitable company's net movement in funds, including 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.

#### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out in the Trustees' Report, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **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.

## INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF GRESHAM'S FOUNDATION (continued)

FOR THE YEAR ENDED 31 AUGUST 2020



### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

### 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 (the directors' report prepared 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 directors' report included within the Trustees' Report 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 (which incorporates the directors' 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 by the charitable company, or
- the charitable company 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic 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.

David Sewell (Senior Statutory Auditor)  
for and on behalf of Haysmacintyre LLP (Statutory Auditor)

10 Queen Street Place  
London  
EC4R 1AG

Date: 18 December 2020

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

**GRESHAM'S FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating income and expenditure account)

**FOR THE YEAR ENDED 31 AUGUST 2020**



		Unrestricted Fund £000	Restricted Funds £000	Endowment Fund £000	2020 £000	2019 £000
<b>INCOME FROM:</b>	<b>Notes</b>					
Donations		518	386	-	904	1,980
Investment income	2	44	39	-	83	86
<b>Total Income</b>		<u>562</u>	<u>425</u>	<u>-</u>	<u>987</u>	<u>2,066</u>
<b>EXPENDITURE ON:</b>						
Generating funds	3	11	16	-	27	50
Charitable activities	3	27	357	-	384	299
<b>Total expenditure</b>		<u>38</u>	<u>373</u>	<u>-</u>	<u>411</u>	<u>349</u>
Surplus before investment gains and losses		524	52	-	576	1,717
<b>Other recognised gains and losses</b>						
Losses on investment assets		(1)	-	(8)	(9)	(13)
<b>Net income/(expenditure)</b>		<u>523</u>	<u>52</u>	<u>(8)</u>	<u>567</u>	<u>1,704</u>
<b>Reconciliation of funds</b>						
Fund balances at 1 September 2019	9	<u>1,773</u>	<u>1,518</u>	<u>929</u>	<u>4,220</u>	<u>2,516</u>
<b>Fund balances at 31 August 2020</b>	9	<u><u>2,296</u></u>	<u><u>1,570</u></u>	<u><u>921</u></u>	<u><u>4,787</u></u>	<u><u>4,220</u></u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The comparative year's Statement of Financial Activities is included in note 14.

The notes set out on pages 15 to 22 form an integral part of these financial statements.

**GRESHAM'S FOUNDATION****BALANCE SHEET****AS AT 31 AUGUST 2020****Company number: 05428934**

	Notes	2020 £000	2019 £000
<b>FIXED ASSETS</b>			
Tangible fixed assets	4	2,048	1,564
Investments	5	2,545	2,502
		<u>4,593</u>	<u>4,066</u>
<b>CURRENT ASSETS</b>			
Debtors	6	27	21
Cash at bank		257	214
		<u>284</u>	<u>235</u>
<b>CURRENT LIABILITIES</b>			
<b>CREDITORS</b> - amounts falling due within one year	7	(90)	(81)
		<u>194</u>	<u>154</u>
<b>NET CURRENT ASSETS</b>			
		<u>4,787</u>	<u>4,220</u>
<b>NET ASSETS</b>			
		<u><u>4,787</u></u>	<u><u>4,220</u></u>
<b>FUND BALANCES</b>			
Permanent endowment fund	9	921	929
Restricted funds	9	1,570	1,518
Unrestricted general fund	9	2,296	1,773
		<u>4,787</u>	<u>4,220</u>
		<u><u>4,787</u></u>	<u><u>4,220</u></u>

The financial statements were approved and authorised for issue by the Trustees on 10 December 2020 and signed on their behalf by:

*Andrew Smith*

Andrew Martin Smith  
Chairman of the Trustees

*JRB Peacock*

Roderick Peacock  
Trustee

The notes set out on pages 15 to 22 form an integral part of these financial statements.



**GRESHAM'S FOUNDATION****CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Year 2020 £000</b>	<b>Year 2019 £000</b>
<b>Net cash inflow from operating activities</b>		
Net income	576	1,717
Investment income and interest receivable	(83)	(86)
Property donation	(500)	(1,575)
Depreciation charge	16	11
(Increase)/decrease in debtors	(3)	23
Increase/(decrease) in creditors	9	(4)
	<u>15</u>	<u>86</u>
<b>Cash flow from investing activities</b>		
Investment income and interest receivable	83	80
Payments to acquire investments	(56)	(219)
Proceeds from sale of investments	1	2
	<u>28</u>	<u>(137)</u>
<b>Net change in cash and cash equivalents in the reporting period</b>	43	(51)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>214</u>	<u>265</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>257</u></u>	<u><u>214</u></u>
<b>Analysis of Cash and cash equivalents</b>	<b>At 31 August 2019 £000</b>	<b>At 31 August 2020 £000</b>
Cash at bank and in hand	<u>214</u>	<u>257</u>

The notes set out on pages 15 to 22 form an integral part of these financial statements.





## 1. ACCOUNTING POLICIES

### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed assets investments at market value and the non-recognition of the value to the School of the use of land as described in note 9. The format of the financial statements has been presented to comply with the Companies Act 2006, FRS102 *The Financial Reporting Standard applicable in the UK and Ireland* and the Statement of Recommended Practice *Accounting and Reporting by Charities*, second edition ("SORP 2015"). Figures are presented in sterling and rounded to the nearest pound.

The Charity is a Public Benefit Entity as defined by FRS102.

### **Going concern**

The Trustees consider that there are no material uncertainties which would cast doubt on the Charity's ability to continue as a going concern. The Trustees review the financial information of the Charity and consider whether it is a going concern for at least twelve months from the date of approval of the accounts. The Trustees have assessed the major risks to which the Charity is exposed, including those specifically related to the Covid-19 pandemic and is satisfied that systems are in place to manage exposure to major risks. The ultimate impact of Covid-19 on the UK economy is not yet known. However, through appropriate consideration of risks through normal risk management processes and mitigating actions already taken and available to be taken the Trustees consider it appropriate for the going concern basis to be adopted for these accounts.

### **General information**

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 05428934) and a charity registered in England and Wales (charity number: 1109441).

### **Significant Judgements**

In preparing these financial statements the trustees have had to make estimates and assumptions that affect the amounts recognised in these financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Key areas subject to judgement and estimation is as follows:

Fixed asset depreciation. Judgement is applied when assigning anticipated average lives to the fixed assets of the school.

Legacy income. The key estimates include the valuation of residual estates due to the Foundation and assessing the probability of receipt.

### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objects of the Charity.

Restricted funds are funds where the income is restricted by conditions of the donor.

Endowment funds are permanent and are represented by investments.

### **Incoming resources**

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants and donations and is included in full in the Statement of Financial Activities when receivable.

Investment income is included when receivable.



## 1. ACCOUNTING POLICIES (continued)

### **Resources expended**

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries

Expenditure is recognised on an accruals basis as a liability is incurred. The irrecoverable element of VAT is included with the item of expense to which it relates:

Costs of raising funds comprise the costs associated with attracting voluntary income.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Staff costs are apportioned based upon opening fund balances. Other costs are apportioned on an appropriate basis.

### **Tangible Fixed Assets**

The buildings donated to the Gresham's Foundation by the Fishmongers' Company have been recognised at market value, which is therefore treated as deemed cost.

### **Depreciation**

Depreciation is calculated to write off on a straight line basis the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives to Foundation. The annual depreciation rate is as follows:

Buildings	1%
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The carrying values of tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

### **Financial instruments**

Basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

#### *Investments*

Investments held for the long-term to generate income or capital growth are carried at fair value as fixed assets. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

#### *Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

#### *Debtors and creditors*

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

**2. INVESTMENT INCOME**

	<b>2020 £000</b>	<b>2019 £000</b>
Investment income	83	86
	<u>83</u>	<u>86</u>

**3. TOTAL RESOURCES EXPENDED**

	<b>Cost of Generating Funds £000</b>	<b>Charitable activities £000</b>	<b>2020 £000</b>
Fundraising costs	1	-	1
Investment fees	15	-	15
Administration costs	11	-	11
Donations paid	-	31	31
Bursaries paid	-	332	332
Prize money paid	-	-	-
Auditors' remuneration	-	5	5
Depreciation	-	16	16
	<u>27</u>	<u>384</u>	<u>411</u>

**Comparative Analysis:**

	<b>Cost of Generating Funds £000</b>	<b>Charitable activities £000</b>	<b>2019 £000</b>
Fundraising costs	1	-	1
Investment fees	14	-	14
Administration costs	35	-	35
Donations paid	-	40	40
Bursaries paid	-	242	242
Prize money paid	-	2	2
Auditors' remuneration	-	4	4
Depreciation	-	11	11
	<u>50</u>	<u>299</u>	<u>349</u>

**Key Management Personnel**

The only key management personnel during the year were the trustees. No trustee received any remuneration during the year.



<b>4. TANGIBLE FIXED ASSETS</b>	<b>Buildings £000</b>	<b>2020 £000</b>
<b>Cost</b>		
At 31 August 2019	1,575	1,575
Additions	500	500
<b>At 31 August 2020</b>	<b>2,075</b>	<b>2,075</b>
<b>Depreciation</b>		
At 31 August 2019	11	11
Charge for the year	16	16
<b>At 31 August 2020</b>	<b>27</b>	<b>27</b>
<b>Net Book Value</b>		
<b>At 31 August 2020</b>	<b>2,048</b>	<b>2,048</b>
At 31 August 2019	1,564	1,564

Additions during the year relate to one residential properties donated by the Fishmongers Company. The property was valued by an external surveyor at the point of donation and this value is therefore deemed cost.

**5. INVESTMENTS**

	<b>Restricted Funds £000</b>	<b>Unrestricted general fund £000</b>	<b>Endowment Funds £000</b>	<b>2020 £000</b>
Market value at 1 September 2019	1,183	390	929	2,502
Additions	45	11	-	56
Withdrawals	(1)	(1)	(2)	(4)
Gains/(losses)	(1)	-	(8)	(9)
<b>Market value at 31 August 2020</b>	<b>1,226</b>	<b>400</b>	<b>919</b>	<b>2,545</b>

  

	<b>Restricted Funds £000</b>	<b>Unrestricted general fund £000</b>	<b>Endowment Funds £000</b>	<b>2019 £000</b>
Market value at 1 September 2018	1,031	325	940	2,296
Additions	213	6	-	219
Gains	(5)	3	(11)	(13)
Transfer of funds	(56)	56	-	-
<b>Market value at 31 August 2019</b>	<b>1,183</b>	<b>390</b>	<b>929</b>	<b>2,502</b>



6. DEBTORS	2020 £000	2019 £000
Debtors	27	21
	<u>27</u>	<u>21</u>

7. CREDITORS: amounts falling due within one year	2020 £000	2019 £000
Other creditors and accruals	90	81
	<u>90</u>	<u>81</u>

## 8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Permanent Endowment Fund £000	Restricted Fund £000	Unrestricted General Fund £000	2020 Total £000
Tangible Fixed Assets	-	-	2,048	2,048
Investments	919	1,226	400	2,545
Debtors	-	11	16	27
Cash at bank	2	419	(164)	257
Creditors	-	(86)	(4)	(90)
	<u>921</u>	<u>1,570</u>	<u>2,296</u>	<u>4,787</u>

	Permanent Endowment Fund £000	Restricted Fund £000	Unrestricted General Fund £000	2019 Total £000
Tangible Fixed Assets	-	-	1,564	1,564
Investments	929	1,183	390	2,502
Debtors	-	11	10	21
Cash at bank	-	375	(161)	214
Creditors	-	(51)	(30)	(81)
	<u>929</u>	<u>1,518</u>	<u>1,773</u>	<u>4,220</u>



## 9. FUNDS

	31 August 2019 £000	Incoming resources £000	Resources expended £000	Gains/ (losses) £000	31 August 2020 £000
Phillip Newell Memorial Fund	62	2	(1)	(4)	59
Fund for pupils at Gresham's School	1,324	407	(352)	5	1,384
PM Bursary Fund	-	13	-	(1)	12
Donations towards Auden seats	13	-	-	-	13
Donations towards Sixth Form and Music Centre	14	-	-	-	14
OG and other donations towards Eccles Pavilion	91	-	(16)	-	75
Other donations	14	3	(4)	-	13
	<u>1,518</u>	<u>425</u>	<u>(373)</u>	<u>-</u>	<u>1,570</u>
Restricted funds	1,518	425	(373)	-	1,570
Permanent endowment fund	929	-	-	(8)	921
Unrestricted general fund	1,773	562	(38)	(1)	2,296
	<u>4,220</u>	<u>987</u>	<u>(411)</u>	<u>(9)</u>	<u>4,787</u>
	<u><u>4,220</u></u>	<u><u>987</u></u>	<u><u>(411)</u></u>	<u><u>(9)</u></u>	<u><u>4,787</u></u>
Comparative movements	31 August 2018 £000	Incoming resources £000	Resources expended £000	Gains/ (losses) £000	31 August 2019 £000
Phillip Newell Memorial Fund	62	2	(2)	-	62
Fund for pupils at Gresham's School	1,126	437	(236)	(3)	1,324
PM Bursary Fund	46	-	(44)	(2)	-
Donations towards Auden seats	13	-	-	-	13
Donations towards Sixth Form and Music Centre	14	-	-	-	14
OG and other donations towards School Pavilion	91	-	-	-	91
Other donations	9	5	-	-	14
	<u>1,361</u>	<u>444</u>	<u>(282)</u>	<u>(5)</u>	<u>1,518</u>
Restricted funds	1,361	444	(282)	(5)	1,518
Permanent endowment fund	940	-	-	(11)	929
Unrestricted general fund	215	1,622	(67)	3	1,773
	<u>2,516</u>	<u>2,066</u>	<u>(349)</u>	<u>(13)</u>	<u>4,220</u>
	<u><u>2,516</u></u>	<u><u>2,066</u></u>	<u><u>(349)</u></u>	<u><u>(13)</u></u>	<u><u>4,220</u></u>

The permanent endowment fund of investments generates income to support the charity's aims to provide support to Gresham's School.



**10. TRUSTEE REMUNERATION**

No trustee received any remuneration or other benefits during the year. No trustee received a reimbursement of expenses in 2020 (2019: £nil).

**11. TAXATION**

The charity is exempt from Corporation Tax as surplus income and gains are applied for charitable purposes.

**12. CONNECTED CHARITIES**

Gresham's School (charity number 1105500: company number 05196298) is a charitable company limited by guarantee.

Gresham's School Trust (charity number: 311268), of which Gresham's School is the sole corporate trustee, supports the School from a permanent endowment fund which is represented by the land from which the School operates.

**13. RELATED PARTIES**

Some governors of Gresham's School, a connected charity, donated £44,000 to Gresham's Foundation (2019: £30,000).



## 14. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 AUGUST 2019

		Unrestricted Fund £000	Restricted Funds £000	Endowment Fund £000	Total £000
<b>INCOME FROM:</b>	<b>Notes</b>				
Donations		1,575	405	-	1,980
Investment income	2	47	39	-	86
<b>Total Income</b>		<u>1,622</u>	<u>444</u>	<u>-</u>	<u>2,066</u>
<b>EXPENDITURE ON:</b>					
Generating funds	3	39	11	-	50
Charitable activities	3	28	271	-	299
<b>Total expenditure</b>	3	<u>67</u>	<u>282</u>	<u>-</u>	<u>349</u>
<b>Surplus/(deficit) before investment gains</b>		1,555	w 162	-	1,717
<b>Other recognised gains and losses</b>					
Gains/(losses) on investment assets		3	(5)	(11)	(13)
<b>Net income</b>		<u>1,558</u>	<u>157</u>	<u>(11)</u>	<u>1,704</u>
<b>Reconciliation of funds</b>					
Fund balances at 31 August 2018		215	1,361	940	2,516
<b>Fund balances at 31 August 2019</b>		<u>1,773</u>	<u>1,518</u>	<u>929</u>	<u>4,220</u>