



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

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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

**THE GRESHAM'S FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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THE GRESHAM'S FOUNDATION  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021



The Trustees present their report and audited financial statements for the year ended 31 August 2021.

**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) Diana Brocklebank-Scott Benjamin Du Brow Michael Goff Paul Marriage Roderick Peacock
<b>Development Director</b>	Edward Margetson
<b>Auditors</b>	Haysmacintyre 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  Waverton Investment Management Ltd 16 Babmaes Street London SW1Y 6AH  Phillip Newell Memorial Fund: Charles Stanley & Co. Limited 25 Luke Street London EC2A 4AR

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### *Governing document*

The 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.

## ACHIEVEMENTS AND PERFORMANCE

The Covid-19 pandemic has continued to have an impact on the Development Office's events function as well as, but to a lesser extent, on the fundraising efforts of the Gresham's Foundation. A large scale memorial service in honour of the former Headmaster, Logie Bruce-Lockhart, was held in School on 11 September 2021, which saw close to 325 Old Greshamians (OGs) returning to the School to pay their respects and welcome the addition of the new Dyson STEAM Building at Gresham's.

A large focus this year has been on the setting up of an endowment fund within the Foundation and subsequent fundraising appeal that acts to further honour the impact and service of Logie Bruce-Lockhart: the Bruce-Lockhart (endowment) Fund. Crucially, the Fund will provide means tested scholarship support to young people at Gresham's in perpetuity and will complement the ongoing impact of the Foundation's Bursary Fund. Appeals for support of the Bursary Fund and other School-based projects and initiatives have continued throughout the year and alongside that of seeking support for the Bruce-Lockhart Fund.

Levels of engagement with OGs and the wider Gresham's community continue to remain high, particularly following the lifting of the most recent lockdown period as well as on a more remote and virtual level over the second half of the financial year. Many individual OG and family visits took place over the summer term.

### Events

Due to the School's health and safety and visitor protocols in light of Covid-19, in-person events held by the Development Office did not occur throughout the year, whether in School or further afield. Multiple small scale and larger events for the beginning of the next financial year have taken place and, including the aforementioned memorial service, a Bursary Fund/Widening Access meeting at Fishmongers' Hall and the annual OG drinks also at Fishmongers' Hall is planned for November 2021. Year group reunions and some of the Development Office's other annual events (such as the Over 60s Luncheon and the Sir John Gresham Society lunch – which recognises legators to the Foundation) are all expected to take place later in the upcoming year.

As previously mentioned, multiple OGs and family members have been welcomed back to the School in the second half of the year. During their visits, the Development team have given them personalised tours of the campus.

### Training

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



## ACHIEVEMENTS AND PERFORMANCE (continued)

### FUNDRAISING INITIATIVES

All US OGs received a mailing in November 2020 requesting their support of the Foundation.

The annual OG Magazine, which is sent to the entire alumni base by post, included a 16 page report detailing the impact of support for the School and Foundation in recent years as well as development plans for the future. Within the magazine itself was a request to the OG community for their support of the Foundation. The magazine was sent out in November 2020.

Numerous small scale and targeted appeals were launched between January and August 2021, including that for the new roof and lighting in the Theatre in the Woods (the Raise the Roof appeal), an appeal to current Pre-Prep parents and their families in support of the School's new outdoor play area, as well as targeted appeals in aid of the Bursary Fund. A request to leavers' parents for their support was also made at the end of the summer term, resulting in more than 13 parents kindly leaving their school deposit or a portion of it to the Foundation.

Two large scale email fundraising appeals in support of the newly set up Bruce-Lockhart Fund were launched in August 2021. As previously noted, this new fund and consequential appeals became the primary focus during both the Lent and Summer terms and resulted in an initial response that has been very promising; more than £100,000 had been pledged by 31 August.

Work has begun on the first telephone campaign to be conducted in School during April 2022. The campaign will see close to 2,000 OGs contacted by current and recent leavers of Gresham's.

### DONATIONS

The Fishmongers' Company continue to offer great support to Gresham's in aid of both bursarial and scholarship provision. Their support of the Bursary Fund within the Gresham's Foundation this year amounted to £133,740 and, in particular, continues to provide life-changing bursary support to a number of pupils within the School.

Twelve Old Greshamians and Friends of the School made major contributions totalling £5,000 or more to the Foundation (2020: 6 donors), which amounted to £120,292 (2020: £113,380). The number of overall donors to the Foundation increased from 145 (2020) to 231. There were 98 new donors to the Foundation throughout the year. Support from parents remained high, amounting to £53,260 from 72 donors.

Donations from the British Schools and Universities Foundation, which are donations from North American supporters, amounted to £1,629 (2020: £1,858).

Income received in support of the Bruce-Lockhart Fund amounted to £44,506 by 31<sup>st</sup> August, whilst a further £50,278 had been pledged by that point. The Bruce-Lockhart Fund sits within the Foundation's overarching endowment fund – therefore managed the same as the rest of the endowment – but is, crucially, a separate and restricted pot.

A family trust has kindly underpinned a new STEAM outreach programme over the course of the next three years, with support totalling £45,390 over the three year period. This programme will see close to all Year 6 children within state schools across the North Norfolk region come to Gresham's each year and engage with and learn more about the STEAM subjects.

The Theatre in the Woods/Raise the Roof appeal raised £30,972 in donations from 74 donors, whilst the Foundation contributed £5,000. The target for the appeal was just over £31000, and the new canopy and stage was erected at the end of Lent Term. The Pre-Prep outdoor space appeal had secured donations totalling £8,976 including gift aid by 31 August, all of which were donations from the Gresham's community.

### **DONATIONS (continued)**

One generous supporter continues to help fund the School's conservation efforts. Support of over £5,700 has helped fund the building of a new pond in the Woods, which is being used extensively by Gresham's pupils since its completion at the end of 2020.

The Foundation's Bursary Fund has once again provided significant funding to the School that has helped support approximately 21% of the total value of Senior School bursaries awarded throughout the year.

The Foundation has provided funding to the School through small grants totalling £16,617 towards the following projects, equipment and initiatives:

- A Prep School Geology project
- A Pre-Prep Sensory/Speech and Language development programme
- A plastic recycling machine for the Senior School
- A thermal imaging camera for the Senior School
- Video recording and analysis software for Sport on the Senior School AstroTurf
- A kit car building and racing project (to encourage further engagement with STEM amongst Gresham's Girls)
- Jetson Nano Artificial Intelligence Platform to be used by the Prep and Senior School
- Support in aid of the Raise the Roof appeal

### **PUBLIC BENEFIT**

The School's Strategic Plan 2020-25 emphasises the need to continue to widen access to Gresham's and the importance of doing so. The School wishes to ensure young people, 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 ensure 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 between 15% and 20% of pupils in the Senior School with bursarial provision each year.

In 2021, 43 pupils received life-changing awards, which cover between 76% and 100% of school fees (2020: 36). 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, in particular, up to four life-changing awards in total are made every year to pupils across North Norfolk. Pupils who have received such awards in recent years have had great success whilst at Gresham's, both in and outside of the classroom. Two of last year's cohort of award holders began undergraduate courses at Cambridge in September 2020.

Gresham's continues to develop links with many 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.

## WEBSITE, MARKETING & FURTHER ENGAGEMENT WITH OGs

Gresham's Global Connect and the OG Club's Facebook and LinkedIn pages continue to provide a great source of information and opportunities for OGs who wish to have close ties to the School and offer their support where possible.

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 School website, including the Foundation's section, will shortly be updated to include the School's new branding.

The 2020 OG Magazine was mailed out in November 2020 to over 6,000 OGs. The 2021 issue has been collated throughout the year, with advertising secured, and is expected to be circulated by November 2021.

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.

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 £531,000 (2020: £567,000). The permanent Endowment Fund increased by £228,000 (2020: decreased by £8,000) due to gains on investments while the Philip Newell Memorial Fund fell by £13,000 (2020: fell by £4,000). The bursary fund for pupils at Gresham's School had a year-end balance of £1,578,000 (2020: £1,384,000).

### *Reserves policy*

The total reserves of the Foundation amount to £5,318,000 (2020: £4,787,000) of which £2,428,000 (2020: £2,296,000) 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.

Restricted reserves were £1,741,000 (2020: £1,570,000) at 31 August and endowment reserves were £1,149,000 (2020: £921,000).

### *Investment policy*

Following a competitive tender process Waverton Investment Management Ltd were appointed as the Foundation's new investment fund managers and investments were transferred from Rathbones in May 2021. The Trustees' policy continues to be to maximise the total return on the Foundation's investments whilst maintaining a balance between rising income and long term capital growth.



## FUTURE PLANS

### Fundraising/Donations

The campaign to support the Foundation's Bursary Fund and the Bruce-Lockhart Fund will continue to be heavily promoted. A group of committed individuals, most of whom are OGs or former/current parents, has been formed and will help the Foundation meet ambitious income targets that align with and help support the School's outreach and bursary commitments.

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 underpin the School's bursary commitment. A sustained and regular Annual Fund programme will be launched throughout 2022. 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 but greater efforts will be made during the coming financial year to secure major commitments towards the project that will enable the Foundation to launch a capital campaign at the appropriate time.

A telephone campaign involving current pupils or recent leavers engaging with OGs will be conducted during Easter 2022, whereby close to 2,000 OGs will be called.

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 ongoing and negative impact that the pandemic could have on both maintaining the level of support from donors to the Foundation and expectation that such philanthropic support should 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 likely not diminish but instead grow and offer increased support for the School's charitable objectives in the coming year.

## RISK MANAGEMENT (continued)

Further to the above, a number of fundraising appeals have been planned for the year ahead. Individual approaches to donors and prospective donors, as well as mailings and a telephone campaign – which will see hundreds of OGs called and asked to support the Foundation – will be conducted throughout the year and help to secure support for the Foundation.

*Governance:* Although the pandemic made it harder to conduct 'in-person' meetings between Trustees and representatives of the School, this was substituted by increasing communication via other channels in the first half of the year. As it stands, the termly Foundation Trustees' meeting will revert to being in person and held at Gresham's.

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.

## 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 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 6 DECEMBER 2021



Andrew Martin Smith  
Chairman



**INDEPENDENT AUDITORS' REPORT**  
**TO THE TRUSTEES OF THE GRESHAM'S FOUNDATION**  
**FOR THE YEAR ENDED 31 AUGUST 2021**



**Opinion**

We have audited the financial statements of Gresham's Foundation for the year ended 31 August 2021 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 2021 and of the charitable company's net movement in funds, including the 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' 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 charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

**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.



## INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE GRESHAM'S FOUNDATION  
(continued)

FOR THE YEAR ENDED 31 AUGUST 2021



### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes 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 have 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; or
- 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.

### Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 9, 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.

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to GDPR and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

## INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE GRESHAM'S FOUNDATION (continued)

FOR THE YEAR ENDED 31 AUGUST 2021



### Auditor's responsibilities for the audit of the financial statements (continued)

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at the year end ; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

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.

### Use of our report

This report is made solely to the charitable company's trustees, 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 trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young, (Senior Statutory Auditor)  
Haysmacintyre LLP, Statutory auditors

10 Queen Street Place  
London  
EC4R 1AG

20.12

2021

THE GRESHAM'S FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating income and expenditure account)

FOR THE YEAR ENDED 31 AUGUST 2021



		Unrestricted Fund £000	Restricted Funds £000	Endowment Fund £000	2021 £000	2020 £000
INCOME FROM:	Notes					
Donations		38	279	44	361	904
Profit on sale of property		26	-	-	26	-
Investment income	2	46	42	-	88	83
<b>Total Income</b>		<b>110</b>	<b>321</b>	<b>44</b>	<b>475</b>	<b>987</b>
<b>EXPENDITURE ON:</b>						
Raising funds	3	27	23	-	50	27
Charitable activities	3	76	374	-	450	384
<b>Total expenditure</b>		<b>103</b>	<b>397</b>	<b>-</b>	<b>500</b>	<b>411</b>
Surplus before investment gains and losses		7	(76)	44	(25)	576
Gains/(losses) on investment assets		115	257	184	556	(9)
<b>Net movement in funds before transfers</b>		<b>122</b>	<b>181</b>	<b>228</b>	<b>531</b>	<b>567</b>
Transfers		6	(6)	-	-	-
<b>Net movement in funds</b>		<b>128</b>	<b>175</b>	<b>228</b>	<b>531</b>	<b>567</b>
<b>Reconciliation of funds</b>						
Fund balances at 1 September 2020	9	2,296	1,570	921	4,787	4,220
<b>Fund balances at 31 August 2021</b>	<b>9</b>	<b>2,424</b>	<b>1,745</b>	<b>1,149</b>	<b>5,318</b>	<b>4,787</b>

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 16 to 23 form an integral part of these financial statements.

THE GRESHAM'S FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2021

Company number: 05428934



	Notes	2021 £000	2020 £000
<b>FIXED ASSETS</b>			
Tangible fixed assets	4	1,609	2,048
Investments	5	3,159	2,545
		<u>4,768</u>	<u>4,593</u>
<b>CURRENT ASSETS</b>			
Debtors	6	55	27
Cash at bank		600	257
		<u>655</u>	<u>284</u>
<b>CURRENT LIABILITIES</b>			
<b>CREDITORS</b> - amounts falling due within one year	7	(105)	(90)
<b>NET CURRENT ASSETS</b>		<u>550</u>	<u>194</u>
<b>NET ASSETS</b>		<u><u>5,318</u></u>	<u><u>4,787</u></u>
<b>FUND BALANCES</b>			
Logie Bruce Lockhart endowment fund	9	44	-
Permanent endowment fund	9	1,105	921
Restricted funds	9	1,741	1,570
Unrestricted general fund	9	2,428	2,296
		<u><u>5,318</u></u>	<u><u>4,787</u></u>

The financial statements were approved and authorised for issue by the Trustees on 2021 and signed on their behalf by:

*6 December*

Andrew Martin Smith  
Chairman of the Trustees

Roderick Peacock  
Trustee

The notes set out on pages 16 to 23 form an integral part of these financial statements.



THE GRESHAM'S FOUNDATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021



	2021 £000	2020 (restated) £000
<b>Net cash inflow from operating activities</b>		
Net (expenditure)/income	(26)	576
Investment income and interest receivable	(88)	(83)
Property donation	-	(500)
Profit on sale of property	(26)	-
Depreciation charge	20	16
(Increase) in debtors	(32)	(6)
Increase in creditors	14	9
	<u>(138)</u>	<u>12</u>
<b>Cash flow from investing activities</b>		
Investment income and interest receivable	93	83
Proceeds from sale of property	445	-
Payments to acquire investments	(3,296)	(597)
Proceeds from sale of investments	3,239	545
	<u>481</u>	<u>31</u>
<b>Net change in cash and cash equivalents in the reporting period</b>	<u>343</u>	<u>43</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>257</u>	<u>214</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>600</u></u>	<u><u>257</u></u>
<b>Analysis of Cash and cash equivalents</b>		
	At 31 August 2020 £000	Cash flow £000
Cash at bank and in hand	<u>257</u>	<u>343</u>
		At 31 August 2021 £000
		<u>600</u>

The notes set out on pages 16 to 23 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. 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.

### Income

All income is 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)

### **Expenditure**

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. 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%

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**

	2021 £000	2020 £000
Investment income	88	83
	<u>88</u>	<u>83</u>

**3. EXPENDITURE**

	Cost of Raising Funds £000	Charitable activities £000	2021 £000
Fundraising costs	9	-	9
Investment fees	14	-	14
Administration costs	27	-	27
Donations paid	-	87	87
Bursaries paid	-	338	338
Auditors' remuneration	-	5	5
Depreciation	-	20	20
	<u>50</u>	<u>450</u>	<u>500</u>

**Comparative Analysis:**

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

**Key Management Personnel**

The only key management personnel during the year were the Trustees. No Trustee received any remuneration during the year.



**4. TANGIBLE FIXED ASSETS**

	<b>Buildings</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Cost</b>		
At 31 August 2020	2,075	2,075
Disposals	(430)	(430)
<b>At 31 August 2021</b>	<b>1,645</b>	<b>1,645</b>
<b>Depreciation</b>		
At 31 August 2020	27	27
Charge for the year	20	20
Disposals	(11)	(11)
<b>At 31 August 2021</b>	<b>36</b>	<b>36</b>
<b>Net Book Value</b>		
<b>At 31 August 2021</b>	<b>1,609</b>	<b>1,609</b>
At 31 August 2020	2,048	2,048

**5. INVESTMENTS**

	<b>Restricted Funds £000</b>	<b>Unrestricted general fund £000</b>	<b>Endowment Funds £000</b>	<b>2021 £000</b>
Market value at 1 September 2020	1,226	400	919	2,545
Additions	1,492	635	1,169	3,296
Disposals	(1,472)	(607)	(1,159)	(3,238)
Gains	257	115	184	556
<b>Market value at 31 August 2021</b>	<b>1,503</b>	<b>543</b>	<b>1,113</b>	<b>3,159</b>

6. DEBTORS	2021 £000	2020 £000
Debtors	55	27
	<u>55</u>	<u>27</u>

7. CREDITORS: amounts falling due within one year	2021 £000	2020 £000
Other creditors and accruals	105	90
	<u>105</u>	<u>90</u>

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Permanent Endowment Fund £000	Restricted Fund £000	Unrestricted General Fund £000	2021 Total £000
Tangible Fixed Assets	-	-	1,609	1,609
Investments	1,113	1,503	543	3,159
Debtors	-	30	25	55
Cash at bank	36	307	257	600
Creditors	-	(99)	(6)	(105)
	<u>1,149</u>	<u>1,741</u>	<u>2,428</u>	<u>5,318</u>

	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>

9. FUNDS	31 August 2020 £000	Income £000	Expenditure £000	Gains/ (losses) £000	Transfers £000	31 August 2021 £000
Phillip Newell Memorial Fund (travel awards)	59	6	(5)	13	-	73
Fund for the benefit of pupils at Gresham's School	1,384	253	(284)	223	2	1,578
PM Bursary Fund	12	7	(36)	17	-	-
Donations toward Auden seats	13	-	-	-	-	13
Donations toward Theatre Stage	-	31	(31)	-	-	-
Donations toward Pre-Prep Playground	-	9	(9)	-	-	-
Donations toward Music Centre	14	1	-	-	-	15
Donations toward Eccles Pavilion	75	1	(25)	-	2	53
Other donations	13	13	(7)	-	(10)	9
<b>Restricted funds</b>	<b>1,570</b>	<b>321</b>	<b>(397)</b>	<b>257</b>	<b>(6)</b>	<b>1,741</b>
Logie Bruce Lockhart endowment fund		44	-	-	-	44
Permanent endowment fund	921	-	-	184	-	1,105
Unrestricted general fund	2,296	110	(103)	115	6	2,428
	<b>4,787</b>	<b>475</b>	<b>(500)</b>	<b>556</b>	<b>-</b>	<b>5,318</b>

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

The Logie Bruce Lockhart endowment fund will generate income to support bursaries for pupils at Gresham's School.

**9. FUNDS (continued)**

	31 August 2019 £000	Income £000	Expenditure £000	Gains/ (losses) £000	31 August 2020 £000
<b>Comparative movements</b>					
Phillip Newell Memorial Fund (travel awards)	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 School 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>

**10. TRUSTEE REMUNERATION**

No Trustee received any remuneration or other benefits during the year. No Trustee received a reimbursement of expenses in 2021 (2020: £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**

A Trustee made donations totalling £30,000 to the Foundation, restricted for use for bursaries (2020: £30,000).

A Trustee made donations totalling £5,000 (2020: £nil) restricted for use for professional fees related to the investment fund manager tender process.

A Trustee made a donation of shares valued at £13,380 to the Foundation in 2020, restricted for use for bursaries.



THE GRESHAM'S FOUNDATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 AUGUST 2021

14. STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

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

15. SUBSEQUENT EVENTS

On 11 November 2021 the Foundation sold its Woodlands Close property for £712,000.