CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales · Charity number 1144708

Details

Other names	CGLAS TRUST
Status	Registered
Legal form	Charitable company
Company number	07817519
Registered	2011-11-17
Register	View on the Charity Commission register

Contact

Address	CITY & GUILDS OF LONDON ART SCHOOL 118-124 Kennington Park Road London SE11 4DJ
Phone	02070911681
Email	h.lam@cityandguildsartschool.ac.uk
Website	www.cityandguildsartschool.ac.uk

Activities

Objects: THE OBJECTS OF THE CHARITY ARE, FOR THE PUBLIC BENEFIT: 1. TO ADVANCE EDUCATION, KNOWLEDGE AND LEARNING BY TEACHING FINE ART, CONTEMPORARY AND TRADITIONAL CRAFTS, CONSERVATION AND ART INCLUDING ANY SUCH SKILLS, PRACTICES AND STUDIES AS MAY BE CONCERNED WITH ANY OF THE FOREGOING; 2. TO PRESERVE AND TO PROMOTE THE SKILLS, CRAFTS, TECHNIQUES, PROCESSES AND OTHER KNOWLEDGE ASSOCIATED WITH THE FOREGOING OBJECT;

Activities: The Art School is a specialist higher education institution teaching at Foundation, undergraduate and postgraduate level, preparing students for careers as contemporary artists, conservators, carvers in wood and stone and related professions. This is underpinned by an emphasis on material understanding, traditional skills, experimentation and research, combined with art historical studies.

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Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£4,149,111	£3,896,640	£1,869,764	77
2024-08-31	£3,733,056	£3,686,873	£1,567,650	77
2023-08-31	£3,675,298	£3,549,410	£1,409,794	46
2022-08-31	£3,026,907	£3,178,258	£1,370,525	88
2021-08-31	£2,792,731	£2,937,060	£1,595,932	83

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Trustees

Name	Role	Appointed
Jamie Timothy Bill	Chair	2020-04-08
Carol Edwina Taylor		2024-06-19
Caroline Campbell		2018-01-31
Darren James Clayton		2025-10-01
Dr Lois Esther Tyrrell		2022-09-01
Edward William Campbell Campbell-Johnston		2022-10-26
Helen Sunderland-Cohen		2022-10-26
James Cameron Kelly		2019-07-30
LAURENCE BENSON		2018-05-23
Laura Anne Carey		2024-10-01
Martin Hatfull		2018-01-31
Michael Osbaldeston		2019-10-31
Professor Elizabeth Mary Rouse		2019-07-30
Professor Jane Margaret Rapley OBE		2018-01-19
Sokari Douglas Camp CBE		2024-06-19
Tabish Khan		2022-10-26

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CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales - Charity number 1144708

Accounts

City&Guilds of London Art School

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2025

COMPANY LIMITED BY GUARANTEE
REGISTRATION NUMBER
07817519
(ENGLAND AND WALES)

CHARITY REGISTRATION NUMBER
1144708

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Cover image: detail of degree show work by BA Fine Art student Thymian Osborn

Reference and administrative information

Trustees

Trustees in post as at January 2026
See Statement of Corporate Governance for details of Trustees serving during the course of 2024-25

Jamie Bill (Chair)
Laurence Benson (Vice-Chair)
Dr Caroline Campbell
Edward Campbell-Johnston
Laura Carey (Staff Trustee)
James Clayton (Student Trustee)
Sokari Douglas Camp CBE
Martin Hatfull
James Kelly
Tabish Khan
Michael Osbaldeston
Prof Jane Rapley OBE
Prof Elizabeth Rouse OBE
Dr Lois Rowe
Helen Sunderland-Cohen
Carol Taylor CBE

Company Secretary

Harriet Lam

Senior Management Team

Principal	Dr Lois Rowe
Director of Resources & Operations	Nick Rampley
Head of Finance	Deepa Craig
Head of Carving	Tom Young
Head of Fine Art	Dr Marita Fraser
Head of Foundation	Clementine Mitchell
Head of Conservation	Dr Marina Sokhan
Head of Access to Learning	Dr Matthew Rowe
Development & External Relations Manager	Cristobal Tagle

Registered and principal office

124 Kennington Park Road
London SE11 4DJ

Telephone

020 7735 2306

Website

www.cityandguildsartschool.ac.uk

Email

office@cityandguildsartschool.ac.uk

Company registration number

07817519 (England and Wales)

Charity registration number

1144708

UKPRN

10039082

Bankers

Barclays Bank plc
Southwark Branch
29 Borough High Street
London SE1 1LY

Investment Managers

Cazenove Capital Management Limited
1 London Wall Place
London EC2Y 5AU

Auditor

Buzzacott LLP
130 Wood Street
London EC2V 6DL

Trustees' Report | Year to 31 August 2025

Introduction

The Board of Trustees ("the Board") of City and Guilds of London Art School Limited ("the Art School" or "the Charity" or "the charitable company") presents its annual report and the audited financial statements for the year ended 31 August 2025.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and is also the report of the Directors for the purposes of the Companies Act 2006.

The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and comply with the Office for Students' Accounts Direction.

Constitution

The Art School is a charitable company, limited by guarantee, not having share capital. The Art School's governance is determined by its Articles of Association, dated 22 May 2019. As set out in the Articles the Directors of the Art School form the Art School Board of Trustees. To assist in exercising their duties, the Board has a number of Committees, which are detailed and governed by the Art School's 'How We Work: Governance and Management Handbook'.

The Charity was incorporated on 20 October 2011 to continue the educational activities that were transferred from City and Guilds Art School Property Trust ("the Property Trust") on 31 March 2012 as part of a business transfer agreement. The Property Trust supports the Art School by maintaining and developing the properties in Kennington which the Art School rents from the Property Trust.

The Art School is a Higher Education Provider registered with the Office for Students in its Approved Category.

Principal aims and activities

Founded in 1879, and with a history dating back to 1854, the Art School is one of the UK's oldest art educational institutions specialising in art, craft and conservation. Its original mission was to provide quality instruction in applied art and design for local people. This broadened over time and since World War II has encompassed restoration and conservation to assist, initially, with the effort to repair London's monuments and heritage. Through this, it developed a strong reputation for excellence in both art and craft.

The Art School's mission today is to nurture individual talent by providing an immersive learning environment with an emphasis on the dialogue between the eye, the hand, and the material, informed by the study and analysis of historical and contemporary art and craft. This is delivered through a number of specialist courses including undergraduate and postgraduate courses in Fine Art, Carving (architectural stone and ornamental wood carving and gilding), Conservation of cultural artefacts (with a focus on

three-dimensional objects, gilded and other decorative surfaces, and on books and paper), as well as a Foundation Diploma in Art & Design. This activity is consistent with the objects contained within the Art School's Articles of Association.

The Art School sets out to educate artists, craftspeople and conservators who will go on to make a significant contribution in their fields, through the pursuit of excellence in traditional skills as well as through creative innovation and enterprise and a commitment to offering students a high level of contact time working with some of the country's leading specialist practitioners.

Convinced of the social value and necessity of its subjects, not only for the creative and heritage sectors, but for society at large, the Art School champions the roles that art and craft play by engaging in national and international collaborations and through public facing events.

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects, and to motivating students to be inquisitive and resourceful, equipping them to go on learning through practice for the rest of their lives.

Activities and achievements

Student numbers and academic achievements

The number of students enrolled at the beginning of the 2024/25 academic year totalled 303 (2023/24: 270).

Foundation

- 66 students (2023/24: 70) successfully completed their year of study and were awarded a Foundation Diploma in Art & Design from UAL Awarding Body, 19 with distinction, with most able to secure a place on the university course of their choice.

Fine Art

- 20 students (2023/24: 23) were awarded BA (Hons) degrees in Fine Art; 14 firsts, and 4 upper seconds, and 2 lower seconds.
- 1 student was awarded a Graduate Diploma, with distinction.
- 37 students (2023/24: 29) were awarded MA Fine Art degrees; 17 with distinction, 18 with merit, and 2 passes.

Conservation

- 12 students (2023/24: 12) were awarded BA (Hons) Conservation Studies; 5 firsts, 5 upper seconds, and 2 lower seconds.
- 3 students (2023/24: 2) were awarded a Graduate Diploma; 2 with distinction, and 1 with merit.
- 2 students (2023/24: 1) were awarded MA Conservation Studies degrees, both with distinction.

Carving

- 9 students (2023/24: 5) were awarded BA (Hons) Carving; 3 firsts, 5 upper seconds, and 1 lower second.
- 3 students were awarded a Graduate Diploma; 1 with distinction, and 2 with merit.
- 2 students were awarded a Diploma of Higher Education.
- 1 student (2023/24: 0) was awarded a MA Carving degree, with merit.

Schoolwide activities

In September 2024, the Art School was awarded 'Educational Institution of the Year' at the inaugural BeLambeth Awards, recognising the School's contribution to skills and employment in Lambeth through initiatives including the National Saturday Club, Tutors into Schools programme, and its expanded evening courses and Summer School.

In September 2024 the Art School began a new validation agreement with Arts University Bournemouth (AUB) for BA, Graduate Diploma, and MA courses which had previously been validated by Ravensbourne University (RUL). In order to minimise disruption to students who were/ are currently enrolled as RUL students, the Art School chose not to transfer students from one validator to another and to teach out students with the validator with which they had enrolled. The Art School is still in this period of transition, now in its final academic year with RUL as validator for final year BA students.

Extending our outreach activities and increasing engagement in the local community is a key component of our 2022-27 Strategic Plan. The Art School's Tutors into Schools programme was launched with great success. Art School tutors, alumni and students were able to go into the classrooms of local secondary schools to support art, design, and craft teachers by providing bespoke workshops in our specialisms. Tutors into Schools is now in its third year, and the programme has expanded thanks to increased external funding (from £50k to £58k). Partnerships have grown from one youth club and nine school partners in 2024-25, to three youth clubs and 20 school partners in 2025-26. This year the target has been set to deliver a careers assembly to every partner institution, followed up with emails to art teachers on bursary and Foundation information at the start of 2025 to encourage applications.

The National Saturday Club is in its fourth year. In order to encourage consistent attendance across the year, the current year's programme has been reduced from 21 to 12 weeks.

In the Autumn 2024 and Spring 2025 terms, the Art School ran a series evening courses, welcoming 74 participants across eight courses in Autumn, and 51 participants across six courses in Spring. Courses covered a diverse range of skills, including glass, woodcarving, stone carving, etching, painting, printmaking, and others, with the majority of courses sold out. The main Summer School offering was followed by a second bespoke programme for the Commonwealth Heritage Forum, at which participants from across the Commonwealth studied a range of conservation skills including lime mortar, wood carving, joinery, and gilding.

Lime mortar class with Ana Logreira, Commonwealth Heritage Forum summer school 2025

The Art School was thrilled to participate once again in London Craft Week, hosting a two-day event showcasing specialised craft and hand skills to local school groups and the general public. This event celebrated craftsmanship and creativity through various activities, including drawing exhibitions and competitions, carving and conservation demonstrations, hands-on sessions with students and tutors, and printmaking workshops, as well as our annual carving competition. We are grateful to the Worshipful Company of Masons (through their Craft Fund), the Carpenters' Company, Taylor Pearce Ltd., the Surveyors' Club, and the Royal Academy of Arts for their continued support of these activities.

The Art School was featured on Artfully Crafted, an online platform celebrating craftsmanship. Founder Alienor Cros visited the School, interviewing Principal Dr Lois Rowe, tutors, and final year BA (Hons) Conservation student Thomas Yeung, highlighting the Art School's approach to teaching specialist craft skills and preparing students for careers in the arts.

In June 2025, the Art School community celebrated the Degree Show and Prize-Giving Ceremony for 47 graduating students across BA Fine Art, Carving, and Conservation. The event included addresses from Principal Dr Lois Rowe, incoming Head of BA Fine Art Dr Marita Fraser, and the Heads of Department, with certificates and prizes presented to graduating students. Awards included the City & Guilds of London Art School Board of Trustees Prize, Conservation Research Project Prizes, Venice in Peril Residencies, and 16 other prizes across the different disciplines.

Across June and July 2025, the Art School welcomed 150 participants to its Summer School, a 14.5% increase from 2024. Over three weeks of short courses, students explored skills including stone carving, woodcarving, gilding, verre églomisé, letter carving, joinery, glass sculpture, etching, observational drawing, and medieval painting and manuscript illumination. Most of the courses sold out.

In August 2025, the Art School, in partnership with Two Temple Place (a building celebrated for the historic craftsmanship of past generations of Art School graduates) took part in a four-day 'Celebration of Makers'. Tutors and students from Carving and Conservation departments led live demonstrations, hands-on 'have-a-go' sessions, and a panel discussion, alongside the Carving interim show, showcasing second-year student work and exploring the evolving role of traditional carving skills today.

Degree show private view, June 2025

In early September 2025, the Art School celebrated the MA Graduation and Prize-Giving Ceremony for 41 graduating students across MA Fine Art, Carving, & Conservation, alongside eight Fellows. The event included addresses from Principal Dr Lois Rowe, Head of Graduate School Dr Charley Peters, and visiting MA tutor Danny Rolph, with certificates and prizes presented to the

graduating students. Awards included the Standpoint Artist's Residency, Painter-Stainers' Company Decorative Surfaces Fellowship, Artists' Collecting Society Prize, and other prizes recognising outstanding work, critical engagement, exhibition, and print practice across the MA disciplines.

During the MA Show, as part of the Lambeth Heritage Festival, the Art School hosted a public talk by Director of Resources & Operations Nick Rampley entitled 'Seven turkeys, five sucking pigs, and three miniatures: A history of Lambeth's own Art School'. The illustrated talk explored the Art School's history from its foundation in 1854 as the Lambeth School of Art to its present-day role as a distinctive higher education institution.

The Art School was deeply saddened to learn of the passing of Professor Norman Ackroyd CBE RA in September 2024. One of Britain's most highly regarded contemporary printmakers, his significant achievements and contributions as an artist, teacher and supporter of the arts leave an enormous legacy, and a great loss to the community and UK culture. Norman's longstanding commitment to the Art School had impacted generations of students who have passed through our Print Room. A former member of the Art School's Board of Trustees, he was awarded an Art School Honorary Fellow Fellowship in 2022, in recognition of his advisory role spanning more than 27 years.

Mez Kerr Jones, Wood workshop technician and a former Artist Woodwork Fellow, was awarded the prestigious title of Artist Laureate for Fluxus Art Projects and participated in the Magnetic Programme Residency at Frac Bretagne in Rennes in Summer 2025. Congratulations also go to another of the Wood workshop technicians, Ana Kazaroff, on her award of a London Arts & Humanities Partnership Scholarship to pursue a PhD at The Slade School of Fine Art, UCL.

Conservation Department

BA (Hons) Conservation: Stone, Wood & Decorative Surfaces graduates Fiorella Lavado and Ellie Seaward were selected for the annual Venice in Peril internship, spending two months at the Abbey of San Giorgio Maggiore in Venice. The fully funded internship, awarded at the Degree Show, is supported by the Venice in Peril Fund in partnership with Benedicti Claustra Onlus and provides hands-on experience in the conservation of Venice's architectural heritage.

Degree show presentation by BA (Hons) Conservation: Stone, Wood & Decorative Surfaces graduate and QEST scholar Thomas Yeung

In April 2025, final year BA (Hons) Conservation students presented their research findings at the Conservation Symposium 2025 held at Imperial College London. The annual public-facing event showcased student research projects spanning stone, wood, decorative surfaces, books, and paper, and was held in partnership with the Imperial Science and Engineering Research Group for Cultural Heritage and the Imperial Centre for Languages, Culture and Communication.

BA (Hons) Conservation: Stone, Wood & Decorative Surfaces graduate Thomas Yeung was awarded a QEST Scholarship to continue his studies on the MA Conservation programme, focusing on the conservation of complex lacquer objects. The scholarship supports Thomas' dual practice as both maker and conservator, enabling him to develop specialist skills in European and Asian lacquer techniques and materials.

Conservation alumni have secured prestigious posts, with recent graduates having obtained positions at Cambridge University Library, NYU's Bobst Library, and Windsor Castle, demonstrating the global impact of the Art School's Conservation training.

Carving Department

Two members of the Art School's carving community featured in the third series of Bill Bailey's Master Crafters: The Next Generation, with second year BA (Hons) Carving: Architectural Stone student Thomas Stainer taking part in a timed stone-carving challenge under the guidance of alumnus and master stone carver Simon Smith, with filming also taking place in the Art School's Carving studios.

Woodcarving tutor Takako Jin receiving Master Carver Certificate from the Worshipful Company of Joiners & Ceilers

The work of BA (Hons) Woodcarving and Gilding alumna Jo Grogan, completed during her ongoing residency at the Sarabande Foundation, featured across the press, including Harper's Bazaar, the Evening Standard and Mayfair LON. Jo became an artist-in-residence at the Sarabande Foundation shortly after completing her studies at the Art School.

Graduate Diploma Stone Carving alumnus Finn Conlon was selected for the second edition of the prestigious Homo Faber Fellowship, partnered with expert stone sculptor Helen O'Connell.

Stone Carving alumna Lily Marsh was commissioned to create the first official portrait bust of King Charles III, unveiled to mark the 35th anniversary of the King's Foundation and now on permanent display at Dumfries House. A QEST Scholar and 2020 graduate, Lily sculpted the work in clay before casting it in bronze, with the stone plinth carved by fellow craftsperson Samuel Starsmore.

Two members of the Art School community were awarded Master Certificates by the Livery Company Skills Council with The City and Guilds of London Institute. Woodcarving tutor Takako Jin received her Master Carver Certificate from the Worshipful Company of Joiners & Ceilers, recognising her expertise and commitment to training future craftspeople. Carving alumna and visiting tutor Charlotte Howarth was awarded her Master Certificate from the Worshipful Company of Masons for her work as a sculptor, designer, stone carver and letterer, and for her contributions to craft education through the Abraxas Stone Carving Academy.

Fine Art Department

Dr Marita Fraser was appointed Head of BA (Hons) Fine Art, joining the Art School in July 2025 from the Glasgow School of Art where she was Undergraduate Program Director for the School of Fine Art and Head of Sculpture and Environmental Art. An internationally recognised interdisciplinary artist and researcher, Marita brings extensive experience in teaching, residencies, exhibitions and feminist practice, and will lead the BA Fine Art programme, supporting the diversity of creative practices across the Art School.

BA (Hons) Fine Art graduate Alice Lane was named one of the winners of the Freelands Painting Prize 2025, continuing the Art School's strong record of prize winners since 2020.

Artist Glass Fellow and BA Fine Art/ MA Art & Material Histories alumna Roberta de Caro featured in the Autumn/Winter 2024 edition of Crafts Magazine. In the feature, Roberta discussed her artistic journey, her introduction to the medium of glass explored throughout her studies at the Art School and at the Royal College of Art, and her project 'From the Fragment to the Whole'.

BA (Hons) Fine Art 2023 alumna Sophie Lloyd and MA Fine Art 2023 alumnus and Artist Glass & Casting Fellow Valentino Vannini were selected for New Contemporaries 2024, exhibiting their work with the other New Contemporaries artists at the Institute of Contemporary Arts in March 2025.

Graduate show work by Sophie Lloyd and Valentino Vannini, both selected for New Contemporaries 2024

Foundation Department

The Art School bade farewell to Keith Price, who retired as Head of Foundation after more than four decades of distinguished service, having led the department since 1998 and overseen the establishment of the dedicated Foundation studios in Kennings Way in 2012. In June 2025, Keith was awarded an Honorary Art School Fellowship in recognition of his exceptional contribution to the Foundation Department and the wider Art School community.

Clementine Mitchell was appointed Head of Foundation following Keith Price's retirement. Clementine joins the Art School from Ravensbourne University London, bringing extensive experience in curriculum development and teaching across institutions including Central Saint Martins and Somerset House, alongside a professional design and illustration practice recognised for its focus on social innovation and community engagement.

The Foundation course continues to benefit from a partnership with the Freelands Foundation, providing full bursaries, transport, and pastoral support to five students annually, enabling meaningful and transformative opportunities.

Foundation student Fiona McHugh won both the inaugural Glass Sellers' Annual Award and first place in the Fishmongers' Hall London Skyline Competition, with her work featured on the Fishmongers' website, showcasing the School's historic livery company partnerships.

The Foundation Show in May 2025 was a celebration of the outstanding work of our 2025 graduates studying on the Foundation Diploma in Art & Design course. During this year of exploration, students interrogate and extend their art practice and created an impressive body of work, displayed in this end of year show.

Former Head of Foundation Keith Price receiving an Honorary Art School Fellowship in June 2025

Foundation show work exhibited by Fiona McHugh, winner of the Exceptional Foundation 3D Fine Art prize

Graduate School

On 3 March 2025, the Art School celebrated the launch of the Graduate School, encompassing MA Carving, MA Conservation, and MA Fine Art programmes. The launch event, 'Monuments at Risk', celebrated the cross-disciplinary and collaborative nature of the Graduate School, featuring presentations and discussions from students, artists, heritage experts, and cultural thinkers, with keynote speakers including Larry Achiampong, John Darlington and Dr Nicola Stacey.

2023 MA Fine Art alumna Eleanor Johnson won the Jackson's Art Prize 2025 for her oil painting Slick With Olive Oil. The award, which includes £6,000 plus £2,000 of Jackson's materials, recognises Eleanor's skillful exploration of complex themes through theatrical composition. Her work will be exhibited at the Jackson's Art Prize 2025 Finalists Exhibition at Bankside Gallery.

Members of the Carving community, including MA Carving student and Stone Carving Tutor Nina Bilbey, alumni Charlotte Howarth, Sue Aperghis and Kate Holmes, as part of the Abraxas Academy collective, won the national competition to design the UK's first memorial to the military service of LGBTQ+ people. Their forged bronze sculpture, An Opened Letter, incorporating words drawn from letters of service personnel affected by the ban, was commissioned for the National Memorial Arboretum and unveiled by King Charles III in his first official engagement in support of the LGBTQ+ community, marking the 25th anniversary of the lifting of the ban on LGBTQ+ people serving in the Armed Forces.

Nina Bilbey was also awarded a Fellowship of The City and Guilds of London Institute. The Fellowship is awarded for making exceptional contributions to industry, education and craft and is the highest award conferred by The City and Guilds of London Institute.

MA Fine Art alumna Eleanor Johnson, winner of the 2025 Jackson's Art Prize
Student panel (Sonia Thomas, Melina Merlin, Jonny Kemp, Paul Familoe) at the 'Monuments at Risk' Graduate School launch event in March 2025
Detail of Abraxas Academy collective's memorial to the military service of LGBTQ+ people

MA Fine Art alumnus Rômulo Avi Oliveira teaching at Ark Evelyn Grace Academy, Brixton, as part of the Tutors into Schools programme

Bursaries and scholarships

The continued generosity of the Art School's many benefactors enabled fee bursary awards of £488,760 (£400,593 for the previous 12 months). Contributions made by way of direct applications for support by students amounted to an additional £31,203 for the academic year (£50,434 in the previous year).

£488,760

in fee bursary awards

In the course of the 12 months to 31 August 2025, fee bursaries were given to a total of 91 students (77 in the previous year), representing more than one in three students towards which bursary and scholarship support is primarily directed.

more than 1 in 3 students with bursary and scholarship support

+18%

increase in number of students receiving fee bursaries

New pledges for coming years have also been secured. Trustees continue to prioritise increasing the amount of bursary and scholarship funding available for students.

The Art School would like to thank all of those individuals and organisations whose support during the year has ensured the continuation and development of its educational activities, through bursaries and scholarships, student prizes, and other unrestricted support.

Recruitment activities

For the 2025/26 recruitment cycle, the Art School delivered a programme of in-person and online activities between October 2024 and March 2025. This included six on-campus Open Days, three online Foundation Diploma in Art & Design sessions, five Student Virtual Chat events, and two Illustration taster sessions. In total, these activities reached 870 applicants and resulted in 303 registered students.

For the 2026/27 application cycle, and with the introduction of the Admissions Tutor role, the Art School has implemented an expanded programme of recruitment activity to be delivered within the 2025/26 academic year.

Governance, structure and management

Review

The current year saw the retirement of three trustee members, as well as the retirement of the staff and student trustees and the appointment of their successors.

Following the resolution of the Board in 2022 to commission a Governance Review to inform its proceedings and meet the recommendations of the Office for Students, the Review was undertaken by an independent third party in Spring 2023; its helpful recommendations were accepted unreservedly and have since been implemented and progress continues to be monitored by the Board at least once a year.

Organisation

The Trustees are Directors of the company for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of Charity legislation.

The Board is the policy-making body of the Art School. It is assisted by the Secretary, who is appointed by the Board. The Board also operates through a number of committees, including: Audit & Risk Committee, Finance & General Purposes Committee (who further monitor the activities of its Investment and Remuneration Sub-Committees), and Nominations Committee.

Though the Board retains responsibility for the assurance of institutional quality and standards, the control of academic matters, including the structures, processes and regulatory frameworks through which academic matters are decided and overseen, resides with academic staff. Academic authority is exercised through the Academic Board, advised and supported by professional/ administrative colleagues and with the involvement of students. The Academic Board is chaired by the Principal and operates under delegated authority from the Board. It is supported by the various Boards of Studies for each of the academic departments

Key management personnel

The Principal of the Art School, who is an ex officio Trustee, is charged with carrying out the policies agreed by the Trustees, managing the Art School's academic activities, and directing and running the organisation on a day-to-day basis. She is assisted in this by the Director of Resources & Operations, the Heads of Department (Carving, Conservation, Fine Art, Foundation, and the Graduate School), along with the Head of Finance.

In addition, there are functional heads responsible for supervising certain key shared facilities such as the Site Manager, Librarian, Drawing Studio Manager and Print Room Manager.

The remuneration of senior staff is set and approved by the Trustees through the Remuneration Sub-Committee. Remuneration is reviewed annually, paying due regard to market rates and sector benchmarks.

Personnel

In line with the Art School's policy whereby students are largely taught by practising professionals, specialist tutors are engaged on an annual or term-by-term basis for a specified number of days. In this way, students are exposed to a wide variety of specialist skills, creative models and critical opinions, whilst continuity of academic progress is ensured by the Heads of Department. The Art School's non-academic activities (including administration, finance, development) are run by a small administrative team reporting to the Director of Resources & Operations.

Risk management

The Trustees have assessed the major risks to which the Art School is exposed. In particular, these relate to: academic standards and reputation; student recruitment and financial sustainability; and compliance with statutory and regulatory requirements, in particular those relating to: Office for Students Registration; Course validation and designation; Home Office Student Visa Sponsorship Duties; General Data Protection Regulations; and Health and Safety.

All areas of risk are monitored through the Art School's governance structure which identifies the lines of responsibility and decision making for each aspect of the Art School's operation, with the Audit & Risk Committee maintaining oversight of the Risk Registers and escalating significant issues to the Board.

Academic reputation and standards are maintained by a process of external validation and the development and scrutiny of annual departmental quality improvement plans which take account, inter alia, of student feedback gathered from a range of sources including internal unit monitoring and the National Student Survey.

Mitigations to student recruitment risks include close monitoring of applicant numbers, increased recruitment activity including outreach, and the appointment of a dedicated recruitment role. Mitigations to financial sustainability risks include 4-year financial forecasting, scenario planning, and reserves.

The Trustees and Senior Management Team ensure that the Art School's operations are protected against significant risk through annual monitoring, action planning and risk assessment procedures. The Art School has comprehensive insurance cover against key areas of risk; in addition to Public Liability Insurance cover of up to £10m and Directors' Liability cover of up to £2m, the Art School also has business interruption insurance covering up to 24 months of fee income. The Art School's accommodation is insured by the Property Trust, at its full re-instatement value.

In addition, in accordance with Office for Students requirements, the Art School has put in place a Student Protection Plan, which details how the Art School will support students to complete their studies should the Art School face an extreme challenge leading to total or practical closure.

The Board is satisfied that systems are in place to mitigate, or control where possible, the Art School's exposure to the risks mentioned above.

Fundraising statement

The Art School adheres to good standards of ethical fundraising. Its Gift Acceptance Policy was reviewed and revised during 2021-22 and formalises the Art School's practices and ethical fundraising position. The Art School greatly values the support it receives from donors. The majority of its donations are received from institutions, which the Art School approaches from time to time. A small number of donations are received from individuals, including student alumni, who are approached from time to time via written correspondence, email or at events.

The Art School does not approach individuals for donations who are not known by the Art School, and does not canvas on the street for donations. The Art School does not employ any third parties to fundraise on its behalf, and no complaints have been received about its fundraising activity. Donors' personal data is not shared with any third party, and is stored safely and securely in line with General Data Protection Regulations.

Statement of Trustees' responsibilities

A Statement of Trustees' responsibilities is included in the Statement of Corporate Governance and Internal Control.

Board of Trustees

The members who are in office at the date of this report are listed on page 1 with dates of appointment during the course of the reporting year where applicable given below in the Statement of Corporate Governance. No Trustee has received any remuneration for services as a member of the Board (2024: none).

Objectives and relevant policies

The Art School's objectives are set to reflect its educational aims and ethos. In setting these, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and to its supplementary benefit guidance on fee charging.

Access and Equality and Diversity

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects. It believes in the importance of a diverse student community. The Art School charges fees at a level commensurate with the majority of other institutions that offer higher education in art and design. Not all of the Art School's students are eligible for student loan support, so it seeks to provide financial support through bursaries from its own investment income, from funds raised specifically for this purpose from a wide range of charitable sources and by supporting students in their own search for financial support. The Board's policy is to provide fee bursaries on the basis of need and educational ability, subject to such restrictions as may have been imposed by the donors of the funds at its disposal, and within the capacity of the funds available.

The Art School is committed to promoting and upholding equality and diversity and is committed to a working environment which is free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, disability or age. It anticipates the needs for a diverse range of learning styles and makes reasonable adjustments to meet the specific needs of students and staff who are, or become, disabled, functionally disabled or possess some other protected status.

Public benefit

The Trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the Art School during the period to further its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

Investment

The Art School's investments are managed by Cazenove Capital Management Limited. The Art School has a portfolio of investments with a market value including cash as at 31 August 2025 of £1,686,971 (2024: £1,655,619).

There are no extra-statutory restrictions on the Art School's power to invest. The investment strategy is set by an Investment Sub-Committee reporting to the Board of Trustees and considers capital growth and income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to provide the level of income sought by the Trustees which is currently CPI +4%, whilst endeavouring to ensure that longer term capital values more than cover the impact of inflation. The performance of the portfolio is reviewed regularly by the Investment Sub-Committee.

Summer School 2025 classes: Medieval painting and manuscript illumination, Introduction to Japanning, Life size portrait sculpture in clay

Financial review

Results for the year

The Art School recorded a surplus before net gains on investments of £252,471 (2024: surplus of £46,183) for the year. Unrestricted funds recorded a surplus of £215,642 (2024: £9,697).

Realised gains were £10 (2024: gains £0) and unrealised gains of £49,633 (2024: gains of £111,673) on the Art School's investments were recorded in its unrestricted, restricted and endowment funds.

Reserves

The Board has examined the requirement for free reserves, i.e., those funds not invested in tangible fixed assets, not designated for specific purposes, not restricted and not otherwise committed. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital as the activities of the Art School grow. In the meantime, the Trustees have taken the view that the expendable endowments and free reserves (as calculated below) should be considered together and are satisfied that this is in line with the reserves policy. A target of three months' operating expenditure would be deemed appropriate. The current reserves target is around £845k.

Financial position

The balance sheet shows total funds of £1,869,764 (2024: £1,567,650). These funds include endowment funds of £776,606(2024: £770,861). Whilst the income from these funds may be used for the general purposes of the Art School, most of the endowment fund balances themselves are currently regarded as long-term capital.

Also included in total funds is an amount of £773,909 which is restricted (2024: £738,839). These monies have either been raised for, and their use is restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Details and an analysis of movements in the year of these endowment and restricted funds can be found in notes 15 and 16 to the financial statements.

Unrestricted funds, other than those held within expendable endowments, at 31 August 2025 are in a positive position of £319,249 (2024: positive £57,950).

Free reserves, inclusive of expendable endowments, total £772,805 and are calculated as follows:

Unrestricted funds	£319k
Less: unrestricted tangible fixed assets	(£143k)
Plus: expendable endowment funds	£597k
Total	£773k

The Trustees have considered the position in the context of known future sources of income, and also expendable endowments of £597,527 (2024: £596,288) which are available to provide liquidity to the Art School if needed, and thus consider the reserves position to be acceptable in the context of the reserves policy together with financial forecasts to build reserves to the target level over the next four years.

Investment performance

During the year to 31 August 2025 the Charity's investments produced an overall income of £68,264 (2023/24: £68,449) and a net capital gain of £49,643 (2023/24: gain of £111,673). The investment managers continued to invest in accordance with the Trustees' investment policy, which is reviewed by the Investment Sub-Committee and the Board annually, and which is based on an ethical investment approach. The Trustees are satisfied that their investment objectives are being met by the performance of the investments in the context of existing economic and investment conditions.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements and have considered the following:

- latest operational plan for the remainder of the current 2025/26 academic year in response to ongoing external challenges;
- revised budget and financial forecasting for the financial years 2025-2030 and its impact on the financial plan associated with the Strategic Plan for the period 2022-2027;
- steps taken in pursuit of the objectives of the 2022-27 Strategic Plan, including in ensuring its student recruitment targets are met.

The Art School management's foremost priority continues to be to safeguard the quality of the student experience and ensure student progression. Withdrawals and Interruptions of Studies have remained at low levels and the reputation of the Art School continues to rise.

While recruitment into the 2024/25 academic year saw, in line with national trends, a significant fall in numbers on the Foundation course, the outlook for 2025/26 remains stable with renewed marketing activities (especially in respect to international students) and the introduction of a new course at degree level in 2026/27. In order to mitigate current financial challenges, operational support remains a focus of the Art School's fundraising strategy.

To provide additional working capital support if needed, the Art School took advantage of the Coronavirus Business Interruption Loan Scheme to secure a CBIL loan of £250,000, repayable over a period of 6 years from financial year 2021/22. At the year-end £55,556 of the Art School's £1,637,401 cash holdings were derived from the CBIL loan.

The Art School held free reserves of £772,805 as at 31 August 2025 (2024: £480,529) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

London Craft Week activities, May 2025

Future plans

The Art School has adopted a Strategic Plan 2022-2027 which sets out the targets by which the Art School intends to meet its Strategic Goals of:

- Promoting academic excellence and increased learning opportunities in its areas of expertise;
- Enhancing its student and staff experience by ensuring its infrastructure supports its ambitions as a Centre of Excellence; and
- Safeguarding and championing the Art School's ethos and values by ensuring sustainability and supporting future ambitions.

Under the first of these goals, the Art School's objectives in promoting excellence and opportunity are:

- to increase learning opportunities by increasing and diversifying the student body; and
- to increase learning opportunities through Curriculum and Portfolio Development.

Under the second of these goals, the Art School's objectives of enhancing experience by ensuring appropriate infrastructure are:

- to ensure the Art School's Facilities support our vision and ambitions; and
- to ensure the Art School's infrastructure meets the needs of a Centre of Excellence.

Under the third of these goals, the Art School's objectives towards safeguarding values while securing its future are:

- to support sustainability through improved Financial Performance; and
- to enhance financial sustainability through increased Fundraising and Development activity and raising the Art School's public profile through increased partnerships, external projects and media coverage and increasing our presence and activity within the local community.

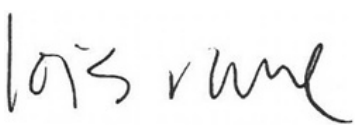
2025/26 will constitute the fifth year of the Strategic Plan and with the Art School's ambition for an improved financial position beginning to materialise and many of the objectives of the Plan having been met, a review of the Art School's vision and strategy will be undertaken in the course of the year. Within the context of its current strategic objectives, the possible introduction of a new honours degree programme in Illustration from 2026/27 remains in place to which it is intended to add the establishment of a one-year Graduate Diploma in Mosaics.

The Charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Approved by the Board on 21 January 2026 and signed on its behalf by:

Jamie Bill, Chair



Dr Lois Rowe, Principal and Accountable Officer

The following statement is provided to enable readers of the annual report and financial statements of City and Guilds of London Art School Limited to obtain a better understanding of its governance and legal structure. These are detailed and governed by 'How We Work: Governance and Management Handbook'.

The statement covers the period from 1 September 2024 to 31 August 2025 and up to the date of the approval of the annual report and financial statements.

The Art School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2018 in so far as it is applicable to the Higher Education Sector, and the Charities Act 2011.

2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities, in accordance with the Higher Education Code of Governance.

We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code, the Higher Education Code of Governance and the Charities Act 2011.

The Board of Trustees recognises that as a body entrusted with private funds, charitable funds and public funds where received, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

City and Guilds of London Art School Limited is a charitable company, limited by guarantee, not having share capital.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below.

Trustee	Appointed / Resigned
Andrew Allen KC	Resigned 26 January 2025
Laurence Benson (Vice-Chair)	
Jamie Bill (Chair)	
Dr Virginia Brooke	Resigned 19 June 2025
Dr Caroline Campbell	
Edward Campbell-Johnston	
Laura Carey	Appointed 1 October 2024
James Clayton	Appointed 1 October 2025
Sokari Douglas Camp CBE	
Paul Farmiloe	Resigned 30 September 2025
Martin Hatfull	
James Kelly	
Tabish Khan	
Michael Osbaldeston	
Prof Jane Rapley OBE	
Prof Elizabeth Rouse OBE	
Dr Lois Rowe (Principal and Accountable Officer)	
Alexander Stitt	Resigned 1 March 2025
Helen Sunderland-Cohen	
Carol Taylor CBE	

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. Three members of the Board of Trustees have interests within the organisation, including two salaried members of staff, the Principal (ex officio Trustee), the staff representative Trustee (elected), and the Student representative Trustee (also known as Chair of Students); none of them receive remuneration for their services as members of the Board.

The Company Secretary to the Board of Trustees maintains a register of financial and personal interests of the members of the Board of Trustees, updated annually.

Statement of trustees' responsibilities

The Trustees (who are also directors of the Art School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;

- state whether applicable United Kingdom Accounting Standards have been followed, subject to any 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 charitable company will continue in operation.

The Trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees are also responsible for ensuring that the School continues to meet the conditions for Office for Students registration, and also safeguarding freedom of speech and academic freedom.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Meeting Procedures

Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Reports include financial performance of the organisation together with other information such as recruitment, academic and quality matters, personnel related matters, and health and safety matters. The Board of Trustees met four times in 2024/25, with two additional strategic 'away days'. Full minutes are kept of all Board and Committee meetings.

The Art School has a strong and independent non-executive membership on the Board of Trustees and no individual or group dominates its decision-making process. The organisation is satisfied that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility between the roles of the Chair and Accountable Officer.

Appointment to the Board of Trustees

Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole, as advised by the Nominations Committee.

Board of Trustees Performance Oversight

The Board of Trustees exercise robust scrutiny of performance and challenge where necessary. Board meetings provide the opportunity for thorough discussion of issues arising. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business. A review of individual Board members' roles and contributions is conducted annually by the Chair.

Committees

During the 2024/25 session, the Board of Trustees received advice on the conduct of its business from three committees and the Academic Board. Each committee has its own terms of reference, approved by the Board of Trustees. The committees were: *Audit & Risk* Committee; *Finance & General Purposes* Committee (with Sub-Committees responsible for *Investment* and *Remuneration*); and *Nominations* Committee. The *Access & Participation* Sub-Committee (a sub-committee of both Academic Board and the Board of Trustees) also advises the Board. In addition, a Joint Development Advisory Working Group of the Art School and the Property Trust supported the fundraising activity of the Art School.

	Audit & Risk Committee	**Finance & General Purposes Committee**	**Investment Sub-Committee**	**Remuneration Sub-Committee**	**Nominations Committee**
Frequency of meetings	Minimum 4 p.a.	Minimum 4 p.a.	Minimum 1 p.a.	Minimum 1 p.a.	Minimum 2 p.a.
Chair /Co-Chairs	Virginia Brooke Martin Hatfull	Laurence Benson	Edward Campbell-Johnston	Laurence Benson	Caroline Campbell
Deputy Chair	N/A	James Kelly	James Kelly	Jane Rapley	Carol Taylor
Clerk	Secretary to the Board	Secretary to the Board	Director of Resources & Operations	Secretary to the Board	Secretary to the Board
Trustees	James Kelly	Michael Osbaldeston Chair of Investment Sub-Committee Principal (ex officio Trustee) Staff Trustee	Laurence Benson	Jamie Bill Martin Hatfull Carol Taylor	Sokari Douglas Camp Principal (ex officio Trustee) Staff Trustee Student Trustee
Non-Trustee Members	Tim Statham		Humphrey Carey (Property Trust) Rupert Asquith		
In attendance	Principal (ex officio Trustee) Director of Resources & Operations Head of Finance Humphrey Carey (Property Trust)	Director of Resources & Operations Head of Finance	Head of Finance Nick Orr, Cazenove Capital	Principal (ex officio Trustee) Director of Resources & Operations Head of Finance	

Audit & Risk Committee

The Audit & Risk Sub-Committee was responsible to the Board of Trustees in discharging its responsibilities for reporting its independent opinions on the risk management, controls, governance, and value for money arrangements of the Art School. The Committee was responsible for the following:

- To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings of the audit along with the included management letter and management responses.
- To review on a regular basis the Art School's Risk Register, advise the Board of Trustees of any significant changes/additions and to escalate any serious concerns to the Board.
- To commission audit reviews of anything that could potentially threaten or adversely affect the accomplishment of the aims and objectives of the Art School, or which potentially could put the Art School at financial or reputational risk.
- To ensure, on behalf of the Board of Trustees, that sound financial and governance controls are in place, and effectively implemented; including the endorsement of the Art School's Financial Regulations, Reserves Policies and arrangements for risk and business continuity management.

Finance & General Purposes Committee

The Board of Trustees has established a Finance & General Purposes Committee, which meets four times a year, or more frequently if necessary.

The Finance & General Purposes Committee provided strategic oversight of the institution's solvency and the use and safeguarding of its resources and assets. It did this through regular scrutiny of reports on institutional income and expenditure, review of the relevant risk registers, and oversight of budgets and forecasting. The Committee also dealt with business of a 'general' nature that does not specifically fall to other standing committees (e.g., estates, health and safety, IT); and monitored the activities of its two Sub-Committees, as detailed below.

Investment Sub-Committee

The Investment Sub-Committee oversaw the management of the Art School's investment portfolio. Under delegated authority of the *Board of Trustees*, the *Investment Sub-Committee* is responsible for advising the Board on the appointment of the investment managers; for monitoring the performance of the portfolio and the effectiveness of the investment strategy; and for ensuring that the Art School's investments are handled responsibly and ethically.

Remuneration Sub-Committee

The Remuneration Sub-Committee provided oversight of strategic staffing matters and determined policy on staff remuneration; and has delegated authority of the Board to determine the schema for staff pay increases and to decide the remuneration of the Principal and Senior Members of Staff.

A **Site & Environment Committee** reporting to the Finance & General Purposes Committee was tasked with overseeing all matters relating to risk management and compliance with legal obligations relating to the physical, working and educational environments, including student and staff welfare provision and the Health and Safety of all the Art School's members and visitors.

Nominations Committee

The Nominations Committee oversaw the recruitment and appointment of members of the Boards of Trustees. It advises the Board on the process of governance effectiveness review; and keeps under review policies and processes relating to membership of the Board of Trustees including induction, training and development of the Trustees.

Academic Board

The Academic Board is established by the Board of Trustees with delegated powers to oversee the Art School's academic activities on its behalf and to be the institution's supreme academic authority. Chaired by the Principal, the responsibilities delegated to the Academic Board are to:

- Uphold the academic standards of the Art School's courses and the quality of its teaching and student welfare provision,
- Devise, maintain, amend and, in individual cases suspend, the Student Regulations,
- Recommend the appointment of External Examiners for validated provision,
- Appoint External Examiners for non-validated provision,
- Confirm the students' results for those courses delivered independently of a validating partner,
- Elicit, receive and act upon student feedback,
- Oversee all internal review and evaluation processes including periodic reviews by the Office for Students (via the Quality Assurance Agency),
- Work to foster excellent relationships with the Art School's validating partners.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. Such a system incorporates risk management and is designed to manage the risk of failure to achieve academic, operational and financial objectives and is designed to provide reasonable assurance against material misstatement or loss, covering such areas as educational standards, safeguarding, IT and data protection, Health and Safety and Estates, HR matters and finance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accountable Officer, for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the funds received and assets. The Principal is responsible for reporting to the Board of Trustees, through the Audit & Risk Committee, any material weaknesses or failures in internal control.

The system of internal control

The system of internal control is designed to manage risk to a reasonable level and is based on an on-going process of identifying and prioritising the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at the organisation for the year ended 31 August 2025 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and governance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that an effective formal on-going process for identifying, evaluating and managing the Art School's significant risks has been in place for the year ended 31 August 2025 and up to the date of approval of the annual report and financial statements.

The risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- a comprehensive register of risks, updated and reviewed on a semi-annual basis;
- annual budgeting with an annual budget reviewed and agreed by the Board of Trustees; and
- periodic reviews by the Board of Trustees of management accounts and financial reports which present and assess financial performance against budget and performance indicators.

Review of effectiveness

As the Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the external auditors;
- the work of the Head of Finance and other staff who have responsibility for the maintenance and development of the internal control framework;

- comments made by the organisation's financial statements auditors in their management letters and other reports; and
- advice provided by Trustees working through the Committees.

There are no significant internal control weaknesses reported for the period.

The senior management team regularly reviews key performance and risk indicators and considers possible control issues brought to their attention. The Audit & Risk Committee receives regular reports, which include recommendations for improvement, and conducts an annual review of the arrangements for internal control.

The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the Audit & Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the above and reports by the Principal, the Board of Trustees is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2025 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance

The organisation has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisation's financial regulations. As part of our consideration, we have had due regard to our financial regulations. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern

Details on the Board's going concern assessment are set out on page 15.

Approved by order of the Board of Trustees on 21.01.26 and signed on its behalf by:

Jamie Bill

Chair

Dr Lois Rowe

Principal and Acccountable Officer

Independent auditor's report to the members of City and Guilds of London Art School Limited

Opinion

We have audited the financial statements of City and Guilds of London Art School Limited ('the charitable company') for the year ended 31 August 2025 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 2025 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Office for Students

In our opinion, in all material aspects:

- funds from whatever source administered by the provider for specific purposes have been properly applied for those purposes for which they were received, and managed in accordance with relevant legislation;
- funds provided by the Office for Students and by Research England have been applied in accordance with the relevant terms and conditions; and
- the requirements of the Office for Student's Accounts Direction have been met.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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.

We have nothing to report in respect of the following matter in relation to which the Office for Students requires us to report to you, if in our opinion:

- the charitable company's grant and fee income, as disclosed in note 1 to these financial statements, has been materially misstated.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP

Catherine Biscoe, Senior Statutory Auditor
For and on behalf of Buzzacott Audit LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

30 January 2026

Statement of financial activities (including income and expenditure statement, which includes statement of changes in reserves) Year to 31 August 2025

	Notes	General fund £	Restricted funds £	Endowment funds £	**Year to 31 August 2025 Total funds £**	Year to 31 August 2024 Total funds £
Income and expenditure						
Income and endowments from:						
Charitable activities						
Art School fees	1	3,143,827	—	—	**3,143,827**	2,938,708
Donations and legacies		133,345	630,598	—	**763,943**	637,567
Gifts in Kind		3,500	—	—	**3,500**	—
Investment income & interest received	2	63,660	11,697	—	**75,357**	74,932
Other		156,813	5,671	—	**162,484**	81,849
Total income		3,501,145	647,966	—	**4,149,111**	3,733,056
Expenditure on:						
Charitable activities						
. Costs of operating the Art School						
.. Teaching staff and personnel	6	1,359,318	86,661	—	**1,445,979**	1,356,382
.. Support costs	4	1,147,613	62,183	2,336	**1,212,132**	1,278,934
.. Premises		667,543	—	—	**667,543**	548,831
.. Promotions and publicity	3	51,023	—	—	**51,023**	51,699
. Bursaries, scholarships and prizes	5	31,203	473,701	15,059	**519,963**	451,027
Total expenditure		3,256,700	622,545	17,395	**3,896,640**	3,686,873
Net income (expenditure) before gains on investments and transfers	5	244,445	25,421	(17,395)	**252,471**	46,183
Net gains on investments	10	17,996	8,507	23,140	**49,643**	111,673
Transfer between funds	21	(1,142)	1,142	—	—	—
Net income and net movement in funds		261,299	35,070	5,745	**302,114**	157,856
STATEMENT OF CHANGES IN RESERVES						
Net income and net movement in funds		261,299	35,070	5,745	**302,114**	157,856
Reconciliation of Funds						
Fund balances brought forward on 1 September 2024		57,950	738,839	770,861	**1,567,650**	1,409,794
Fund balances carried forward at 31 August 2025		319,249	773,909	776,606	**1,869,764**	1,567,650

All of the charitable company's activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	9		**190,304**		218,957
Investments	10		**1,686,971**		1,655,619
			1,877,275		1,874,576
Current assets					
Stocks	11	**13,041**		13,296	
Debtors	12	**186,883**		244,339	
Cash at bank and in hand		**1,637,401**		985,686	
		1,837,325		1,243,321	
Creditors: amounts falling due within one year	13	**(1,830,946)**		(1,494,691)	
Net current assets (liabilities)			**6,379**		(251,370)
Creditors: amounts falling due after one year	14		**(13,890)**		(55,556)
Total net assets			**1,869,764**		1,567,650
Represented by:					
The Funds of the Charity					
Endowment funds	15		**776,606**		770,861
Income funds:					
Restricted funds	16		**773,909**		738,839
Unrestricted funds:					
General fund			**319,249**		57,950
			1,869,764		1,567,650

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the Board on 21.1.26 and signed on its behalf by: JAMIE GILL.

City and Guilds of London Art School Limited: A company limited by guarantee, Company Registration No. 07817519 (England and Wales)

Statement of cash flows 31 August 2025

	Notes	Year to 31 August 2025 £	Year to 31 August 2024 £
Net cash flows from operating activities	A	**585,187**	(115,317)
Net cash flows from investing activities	B	**54,896**	63,742
Net cash flows from financing activities	C	**(5,446)**	(9,049)
Change in cash and cash equivalents in the year		**634,637**	(60,624)
Cash and cash equivalents at the beginning of the year		**1,019,548**	1,080,172
Cash and cash equivalents at the end of the year	D	**1,654,185**	1,019,548

Notes to the statement of cash flows for the year to 31 August 2025

A Reconciliation of net income to net cash (used in) operating activities

	2025 £	2024 £
Net income	**252,471**	46,183
Depreciation charge	**50,321**	55,618
Dividends, interest and rents from investments	**(75,357)**	(74,932)
Effect of capitalisation of investment manager's fees	**—**	(2,395)
Decrease in stocks	**255**	2,384
Decrease in debtors	**57,456**	77,181
Increase (decrease) in creditors	**300,041**	(228,405)
Net cash provided by (used in) operating activities	**585,187**	(124,366)

B Cash flows from investing activities:

	2025 £	2024 £
Dividends and interest from investments	**75,357**	74,932
Purchase of tangible fixed assets	**(21,668)**	(11,338)
Receipts from the disposal of investments	**1,207**	148
Net cash provided by investing activities	**54,896**	63,742

C Cash flows from financing activities:

	2025 £	2024 £
Repayments of borrowing	**(5,446)**	(9,049)
	(5,446)	(9,049)

D Analysis of cash and cash equivalents

	31 August 2025 £	31 August 2024 £
Cash at bank and in hand	**1,637,401**	985,686
Cash held by investment managers	**16,784**	33,862
	1,654,185	1,019,548

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the latest Office for Students' Accounts Direction.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- the provision against doubtful and bad debts in respect to Art School fees; and
- estimates in respect of accrued expenditure.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Art School held free reserves of £772,805 as at 31 August 2025 (2024: £480,529) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School holds expendable endowments totalling £597,527 (2024: £596,288). These expendable endowments are available to provide liquidity to the Art School if needed.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Income

Income is recognised in the period in which the Art School is entitled to receipt, it is probable that the income will be received, and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from restricted funds for scholarships, bursaries and other grants.

Donations are recognised when received and are only accrued where the Art School can demonstrate entitlement to receipt and the amount is measurable and receipt is probable.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

1 The costs of charitable activities involving expenditure on the Art School's primary charitable purpose, i.e. the operation of the Art School. In addition bursaries, scholarships and prizes are given to students.

1.1 The costs of operating the Art School include the costs of premises, teaching staff and personnel, support costs including governance costs, and costs of promoting and publicising the Art School and its activities.

Included within support costs are 100% of the fees incurred in managing the School's investment portfolio.

1.2 Bursaries, scholarships and prizes payable by the restricted funds are included in the statement of financial activities when approved, and when set off against the fees to which they relate.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Tangible fixed assets

All assets costing more than £300 and with an expected useful life exceeding one year are capitalised.

Assets are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures and fittings 10% on cost
- Tools and equipment 20% on cost
- Computer and hi-tech equipment 33% on cost
- Website 20% on cost

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the charitable company anticipates it will pay to settle the debt.

Investments

Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Financial instruments

The Art School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Art School and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals, the loan and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks

Stocks, comprising artists' materials for resale, are stated at cost, being the lower of cost and net realisable value.

Fund accounting

The general fund comprises those monies which may be used towards meeting the charitable objectives of the Art School at the discretion of the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor.

The endowment funds comprise both permanent and expendable endowments. Permanent endowments are monies which must be held as capital indefinitely. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Expendable endowments are monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

Leased assets

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

Pension costs

Contributions to employees' personal pension plans are debited to the statement of financial activities in the year in which they are payable to the relevant plans.

1 Grant and fee income

	Year to 31 August 2025 £	Year to 31 August 2024 £
Fee income for taught awards	**3,143,827**	2,938,708
	3,143,827	2,938,708

The School had no other types of grant and fee income as detailed in clause 23 of the Office for Students Accounts Direction.

2 Investment income and interest receivable

	General fund £	Restricted and endowment funds £	**Year to 31 August 2025 total £**
Income from UK investments			
. Unit trusts and common investment funds	56,567	11,697	**68,264**
Bank interest	7,093	—	**7,093**
	63,660	11,697	**75,357**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2024 total £*
Income from UK investments			
. Unit trusts and common investment funds	*51,487*	*16,962*	*68,449*
Bank interest	*6,483*	—	*6,483*
	57,970	*16,962*	*74,932*

3 Promotion and publicity

	General fund £	Restricted and endowment funds £	**Year to 31 August 2025 total £**
Marketing	51,023	—	**51,023**
	51,023	—	**51,023**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2024 total £*
Marketing	*51,699*	—	*51,699*
	51,699	—	*51,699*

4 Support costs

	General fund £	Restricted and endowment funds £	**Year to 31 August 2025 total £**
Staff costs	642,686	—	**642,686**
Equipment, IT and depreciation	181,768	6,970	**188,738**
Student materials and project expenses	107,930	41,449	**149,379**
Other support costs	184,954	16,100	**201,054**
Governance costs:			
. Legal and professional fees	10,750	—	**10,750**
. Statutory audit services	16,350	—	**16,350**
. Statutory audit services for prior year	3,175	—	**3,175**
	1,147,613	64,519	**1,212,132**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2024 total £*
Staff costs	*624,448*	—	*624,448*
Equipment, IT and depreciation	*194,964*	*6,209*	*201,173*
Student materials and project expenses	*123,536*	*76,338*	*199,874*
Other support costs	*190,958*	*1,985*	*192,943*
Governance costs:			
. Legal and professional fees	*33,461*	—	*33,461*
. Statutory audit services	*15,875*	—	*15,875*
. Statutory audit services for prior year	*11,160*	—	*11,160*
	1,194,402	*84,532*	*1,278,934*

5 Net expenditure

This is stated after charging:

	General fund £	Restricted and endowment funds £	**Year to 31 August 2025 total £**
Staff costs (note 6)	2,002,004	86,661	**2,088,665**
Auditor's remuneration:			
. Statutory audit services	16,350	—	**16,350**
. Statutory audit services for prior year	3,175	—	**3,175**
Depreciation and loss on disposals	43,879	6,442	**50,321**
Operating lease rentals			
. Land and buildings	374,100	—	**374,100**
. Equipment	91,457	—	**91,457**
Bursaries, scholarships and prizes	31,203	488,760	**519,963**

Bursaries were paid to 91 individuals (2024 – 77) during the year.

This is stated after charging:

	General fund £	*Restricted and endowment funds* £	*Year to 31 August 2024 total* £
Staff costs (note 6)	*1,924,223*	*56,607*	*1,980,830*
Auditor's remuneration:			
. Statutory audit services	*15,875*	*—*	*15,875*
. Statutory audit services for prior year	*11,160*	*—*	*11,160*
Depreciation and loss on disposals	*55,618*	*—*	*55,618*
Operating lease rentals			
. Land and buildings	*370,730*	*—*	*370,730*
. Equipment	*71,315*	*—*	*71,315*
Bursaries, scholarships and prizes	*50,434*	*400,593*	*451,027*

6 Staff costs and Trustees' remuneration

	Year to 31 August 2025 £	Year to 31 August 2024 £
Staff costs during the year were as follows:		
Salaries	**1,485,752**	1,433,489
Social security costs	**143,923**	106,939
Pension	**64,921**	65,969
	1,694,596	1,606,397
Self-employed tutors	**327,489**	348,768
Other staff costs	**66,580**	25,665
	2,088,665	1,980,830

Other staff costs include 2 redundancy payments totalling £26,250 which were paid during the year.

Staff costs analysed by function were as follows:

	Year to 31 August 2025 £	Year to 31 August 2024 £
Teaching	**1,445,979**	1,356,382
Support, administration and management	**642,686**	624,448
	2,088,665	1,980,830

The average number of employees, all of whom are engaged in the operation of the Art School, analysed by function and on a full time equivalent basis was:

	Year to 31 August 2025 £	Year to 31 August 2024 £
Teaching	**17**	20
Support, administration and management	**15**	13
	32	33

The average number of employees, all of whom are engaged in the operation of the Art School, was 75 (2024 – 77) for the year ended 31 August 2025. Many of these are employed on a part-time basis.

The Principal's total remuneration in the year ended 31 August 2025 was as follows:

	2025 £	2024 £
Basic salary	**88,740**	87,000
Pension contribution	**4,437**	4,350
	93,177	91,350

The Board of Trustees Remuneration Committee chaired by the Chair of the Board of Trustees considers the case for annual pay increases. The Principal is line managed by the Chair of the Board and their salary, together with all other salaries, is considered by the Remuneration Committee with proposals made to the full Board. The Principal and Director of Resources & Operations attend to provide information. The Company Secretary is the clerk to the committee. The Principal, Director of Resources & Operations and Company Secretary are not members of the Remuneration Committee, and do not attend when their own salaries are under consideration. The School has given regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

As at 31 August 2025, the Accountable Officer's basic salary was 1.66 times (2024 – 1.66 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for all staff contracted on an annual salary basis. There were no performance related payments made to the Accountable Officer in 2024/25.

No Trustees received any remuneration or other emoluments in respect of their services as a member of the Board during the year (2024 – none). There were no Trustees who were employed by the School part-time in the year ended 31 August 2025 (2024 –none). £1,720 of expenses were reimbursed to one Trustee during the year for tutoring services and art materials for the school (2024 – £951 to one Trustee) and a £3,000 bursary was awarded to one Trustee (2024 – £1,650 to one Trustee).

The numbers of employees earning greater than £60,000 during the year were as follows:

	2025 No.	2024 No
£60,001 - £80,000	**—**	—
£80,001 - £90,000	**1**	1
	1	1

Pension contributions in respect of these employees amounted to £4,437 (2024 – £4,350).

The aggregate remuneration, including employer's pension contributions, paid to key management personnel and employer's national insurance, was £437,096 (2024 – £388,631).

Key management personnel during the year consisted of the Principal, Director of Resources & Operations, five academic Heads of Department, and Head of Finance.

The Art School has purchased insurance to protect itself from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium provided cover of up to a maximum of £2 million.

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2024 between restricted, endowment and unrestricted funds:

	Notes	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2024 Total funds £
Income and expenditure					
Income and endowments from:					
Charitable activities					
Art School fees	1	2,938,708	—	—	2,938,708
Donations and legacies		98,128	479,266	60,173	637,567
Investment income & interest received	2	57,970	16,962	—	74,932
Other		60,032	21,817	—	81,849
Total income		3,154,838	518,045	60,173	3,733,056
Expenditure on:					
Charitable activities					
. Costs of operating the Art School					
.. Teaching staff and personnel	6	1,299,775	26,607	30,000	1,356,382
.. Support costs	4	1,194,402	84,532	—	1,278,934
.. Premises		548,831	—	—	548,831
.. Promotions and publicity	3	51,699	—	—	51,699
. Bursaries, scholarships and prizes	5	50,434	386,126	14,467	451,027
Total expenditure		3,145,141	497,265	44,467	3,686,873
Net income before gains on investments and transfers	5	9,697	20,780	15,706	46,183
Net gains/(loss) on investments	10	—	28,282	83,391	111,673
Transfer between funds		(27,825)	27,825	—	—
Net income and net movement in funds		(18,128)	76,887	99,097	157,856
STATEMENT OF CHANGES IN RESERVES					
Net income and net movement in funds		(18,128)	76,887	99,097	157,856
Reconciliation of Funds *Fund balances brought forward on 1 September 2023*		76,078	661,952	671,764	1,409,794
Fund balances carried forward at 31 August 2024		57,950	738,839	770,861	1,567,650

8 Taxation

City and Guilds of London Art School Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Fixtures and fittings £	Website £	Tools and equipment £	New computer equipment £	**Total £**
Cost					
At 1 September 2024	569,049	24,186	244,177	133,128	**970,540**
Additions	1,699	—	13,073	6,896	**21,668**
At 31 August 2025	570,748	24,186	257,250	140,024	**992,208**
Depreciation					
At 1 September 2024	379,834	24,186	224,501	123,062	**751,583**
Charge for year	36,372	—	7,574	6,375	**50,321**
At 31 August 2025	416,206	24,186	232,075	129,437	**801,904**
Net book values					
At 31 August 2025	154,542	—	25,175	10,587	**190,304**
At 1 September 2024	189,215	—	19,676	10,066	**218,957**

10 Investments

	2025 £	2024 £
Listed investments and cash		
Opening market value at 1 September	**1,621,758**	1,507,837
Disposals	**(1,207)**	(148)
Capitalised investment manager's fees	**—**	2,395
Unrealised investment gains	**49,636**	111,673
	1,670,187	1,621,757
Cash held by investment manager	**16,784**	33,862
Total market value of investments at 31 August	**1,686,971**	1,655,619
Cost of listed investments - 31 August	**1,490,563**	1,491,655

Listed investments and cash held at 31 August 2025 comprised the following:

	2025 £	2024 £
Charity Multi Asset Funds	**1,670,187**	1,621,757
Cash held by investment managers	**16,784**	33,862
	1,686,971	1,655,619

All investments were dealt in on a recognised stock exchange.

At 31 August 2025, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	**Market value £**
Cazenove Charity Multi Asset Fund S Units GBP Distribution	**30.8**	**513,993**
SUTL Cazenove Charity Responsible	**69.2**	**1,156,194**

At 31 August 2024, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	*Market value £*
Cazenove Charity Multi Asset Fund S Units GBP Distribution	*29.7*	*482,223*
SUTL Cazenove Charity Responsible	*70.3*	*1,139,535*

11 Stocks

	2025 £	2024 £
Materials for resale	**13,041**	13,296

12 Debtors

	2025 £	2024 £
Student fees outstanding	**10,623**	115,764
Other debtors	**25,973**	13,893
Prepayments and accrued income	**126,419**	73,352
City and Guilds Art School Property Trust (see note 20)	**23,868**	41,330
	186,883	244,339

13 Creditors: amounts falling due within one year

	2025 £	2024 £
Student fees in advance (deferred income)	**1,411,858**	1,115,933
Trade creditors	**25,263**	67,128
Taxation and social security	**35,989**	30,873
Other creditors	**65,872**	88,650
CBIL Loan	**41,666**	41,666
Accruals	**250,298**	150,441
	1,830,946	1,494,691

Included within the above is deferred income, relating to fees received in advance, as set out below:

	2025 £	2024 £
Deferred income brought forward at 1 September 2024	**1,115,933**	1,324,291
Brought forward funds released in the year	**(1,115,933)**	(1,324,291)
Additional income deferred during the year	**1,411,858**	1,115,933
Deferred income carried forward at 31 August 2025	**1,411,858**	1,115,933

14 Creditors: amounts falling due after one year

	2025 £	2024 £
CBIL Loan – payable between two and five years	**13,890**	55,556
	13,890	55,556

The loan is unsecured and the interest rate attached to the loan is based on a floating rate, and will be less than 2.9905% per annum.

15 Endowment funds

The capital funds of the Art School include permanent endowments and expendable endowments. The permanent endowments are comprised of monies which must be retained as capital indefinitely. The expendable endowments are comprised of monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

	At 1 September 2024 £	Income £	Expenditure £	Gains, losses and transfers £	**At 31 August 2025 £**
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	174,573	—	(729)	5,235	**179,079**
	174,573	—	(729)	5,235	**179,079**
Expendable endowments					
Margaret Ballardie bequest	158,890	—	(581)	4,765	**163,074**
Idun Ravndal Memorial Legacy	270,531	—	(15,581)	8,137	**263,087**
Other endowments	166,867	—	(505)	5,004	**171,366**
	596,288	—	(16,667)	17,906	**597,527**
Total endowments	770,861	—	(17,396)	23,141	**776,606**

The income from the endowment funds is included in unrestricted general funds.

	At 1 September 2023 £	*Income £*	*Expenditure £*	*Gains, losses and transfers £*	*At 31 August 2024 £*
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	*155,292*	—	*(413)*	*19,694*	*174,573*
	155,292	—	*(413)*	*19,694*	*174,573*
Expendable endowments					
Margaret Ballardie bequest	*161,671*	—	*(30,584)*	*27,803*	*158,890*
Idun Ravndal Memorial Legacy	*203,147*	*60,173*	*(14,932)*	*22,143*	*270,531*
Other endowments	*151,654*	—	*(326)*	*15,539*	*166,867*
	516,472	*60,173*	*(45,842)*	*65,485*	*596,288*
Total endowments	*671,764*	*60,173*	*(46,255)*	*85,179*	*770,861*

16 Restricted funds

The income funds of the Art School include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance at 1 September 2024 £	Income from investment £	Donations £	Expenditure £	Gains / losses & transfers £	**Balance at 31 August 2025 £**
Various Annual Bursaries and Prizes Funds	*418,363*	359	636,269	(614,963)	1,403	**441,428**
Saul Bursary Fund	*49,178*	2,032	—	(149)	1,478	**52,539**
Charles Noble/Peter Chance Scholarship Fund	*31,762*	1,313	—	(96)	955	**33,934**
Rodney Burn RA Scholarship Fund	*52,197*	2,157	—	(158)	1,569	**55,765**
Simon Birch Memorial Bursary Fund	*94,352*	3,897	—	(286)	2.834	**100,797**
Edith and Stephen Burnett Memorial Bursary Fund	*4,885*	202	—	(15)	147	**5,219**
David Ballardie Memorial Award Fund	*42,047*	1,738	—	372	1,264	**45,421**
Idun Ravndal Travel Award	*807*	—	—	(807)	—	—
Fixed Assets Funds	45,248	—	—	(6,442)	—	**38,806**
	738,839	11,697	636,269	(622,545)	9,649	**773,909**

Funds related to bursaries are now included in the top line "Annual Bursaries Fund".

The specific purposes for which the funds are to be applied are given by their descriptions in the table above. The main purposes are the awarding of scholarships, bursaries and prizes.

	Balance at 1 September 2023 £	*Income from investment £*	*Donations £*	*Expenditure £*	*Gains / losses & transfers £*	*Balance at 31 August 2024 £*
Various Annual Bursaries and Prizes Funds	*319,249*	*948*	*501,084*	*(489,481)*	*86,561*	*418,363*
Saul Bursary Fund	*41,046*	*3,146*	—	*(109)*	*5,095*	*49,178*
Charles Noble/Peter Chance Scholarship Fund	*26,512*	*2,031*	—	*(71)*	*3,290*	*31,762*
Rodney Burn RA Scholarship Fund	*43,568*	*3,338*	—	*(116)*	*5,407*	*52,197*
Simon Birch Memorial Bursary Fund	*82,242*	*4,378*	—	*(170)*	*7,902*	*94,352*
Edith and Stephen Burnett Memorial Bursary Fund	*4,074*	*314*	—	*(11)*	*508*	*4,885*
David Ballardie Memorial Award Fund	*35,926*	*2,755*	—	*(1,096)*	*4,462*	*42,047*
Idun Ravndal Travel Award	*675*	*51*	—	*(2)*	*83*	*807*
Fixed Assets Funds	*51,457*	—	—	*(6,209)*	—	*45,248*
Books and Paper Conservation Project	*57,201*	—	—	—	*(57,201)*	—
	661,950	*16,961*	*501,084*	*(497,265)*	*56,107*	*738,839*

17 Analysis of net assets between funds

	General fund £	Restricted funds £	Expendable Endowment funds £	Permanent Endowment Funds £	**Total 2025 £**
Fund balances at 31 August 2025 are represented by:					
Tangible fixed assets	143,971	46,333	—		**190,304**
Investments	601,564	308,801	597,527	179,079	**1,686,971**
Current assets	1,406,105	431,220	—		**1,837,325**
Creditors: amounts falling due within one year	(1,818,501)	(12,445)	—		**(1,830,946)**
Creditors: amounts falling due after one year	(13,890)	—	—		**(13,890)**
Total net assets	319,249	773,909	597,527	179,079	**1,869,764**

	General fund £	*Restricted funds £*	*Expendable Endowment funds £*	*Permanent Endowment funds £*	*Total 2024 £*
Fund balances at 31 August 2024 are represented by:					
Tangible fixed assets	*173,709*	*45,248*	—		*218,957*
Investments	*600,267*	*284,491*	*596,288*	*174,573*	*1,655,619*
Current assets	*833,120*	*410,201*	—		*1,243,321*
Creditors: amounts falling due within one year	*(1,493,590)*	*(1,101)*	—		*(1,494,691)*
Creditors: amounts falling due after one year	*(55,556)*	—	—		*(55,556)*
Total net assets	*57,950*	*738,839*	*596,288*	*174,573*	*1,567,650*

The total unrealised gains as at 31 August 2025 constitute movement on revaluation and are as follows:

	2025 £	2024 £
Unrealised (losses) gains included above		
On listed investments as at 31 August 2025	**49,636**	111,673
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2024	**130,103**	18,430
Unrealised gains (losses) on listed investments arising in the year	**49,636**	111,673
Difference between market value and cost of disposals	**(115)**	—
Total unrealised gains at 31 August 2025	**179,624**	130,103

18 Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Art School being wound up members are required to contribute an amount not exceeding £1 each.

19 Leasing commitments

Operating leases

At 31 August 2025 the Art School had the following commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2025	2024	**2025**	2024
	£	£	**£**	£
Operating leases which expire:				
Within one year	**383,782**	372,485	**75,288**	65,558
Between two and five years	**1,109,413**	1,190,882	**175,672**	218,527
Over five years	**408,618**	668,154	**—**	—
	1,901,813	2,231,521	**250,960**	284,085

The land and buildings operating leases relate to the site at Kennington Park Road and the sub-lease of premises in the Old Vauxhall Telephone Exchange in nearby Kennings Way from the Property Trust for the period up to the first break clause. The previous lease for the latter expired in late September 2022 and Heads of Terms for a new lease from the date of that expiry were agreed at an increased rental which was duly accounted for in 2024/25.

20 Related party transactions

The City and Guilds Art School Property Trust has senior management in common with the Art School. The Art School charged a management fee of £54,196 (2024 – £53,737) to the Property Trust during the year. The Property Trust charged the Art School rent, including VAT, of £374,100 (2024 – £369,088). The balance owed to the School by the Property Trust at the end of August 2025 was £8,668. No grants were received from the Property Trust in respect of the year (2024 – £nil).

One member of the key management personnel had a family member attending the School as a student from September 2025. The charity has taken advantage of the exemption in the Charities SORP (FRS 102) not to disclose details of related party transactions where the related party received charitable services on the same terms as other beneficiaries.

Other than those transactions disclosed in note 6, no further related party transactions.

21 Transfers between funds

£858 was transferred from unrestricted to restricted funds. This comprises of £845 of unrestricted bursaries/prizes which were included in the restricted fund balance in 2024 and the transfer of £13 to unrestricted funds following the closure of a grant programme. £2k of expenditure was transferred from restricted to unrestricted funds. This was grant expenditure previously classified as restricted and for which the original pledge was never received. The net transfer therefore totals £1,142 from unrestricted to restricted funds.

22 Post balance sheet events

There were no post balance sheet events to consider.

CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales - Charity number 1144708

Accounts

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2024

COMPANY LIMITED BY GUARANTEE
REGISTRATION NUMBER
07817519
(ENGLAND AND WALES)

CHARITY REGISTRATION NUMBER
1144708

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Reference and administrative information

Trustees

Jamie Bill (Chair)	Trustees in post as at January 2025; see Statement of Corporate Governance for details of Trustees serving during the course of 2023-24
Andrew Allen KC	
Laurence Benson (Vice-Chair)	
Dr Virginia Brooke	
Dr Caroline Campbell	
Edward Campbell-Johnston	
Laura Carey (Staff Trustee)	
Sokari Douglas Camp CBE	
Paul Farmiloe (Student Trustee)	
Martin Hatfull	
James Kelly	
Tabish Khan	
Michael Osbaldeston	
Prof Jane Rapley OBE	
Prof Elizabeth Rouse OBE	
Dr Lois Rowe	
Alexander Stitt	
Helen Sunderland-Cohen	
Carol Taylor	

Company Secretary

Harriet Lam

Senior Management Team

Principal	Dr Lois Rowe
Director of Resources & Operations	Nick Rampley
Head of Finance	Deepa Craig (from April 2024)
Head of Historic Carving	Tom Young
Head of Art Histories	Tom Groves
Head of Fine Art	Robin Mason (until March 2024)
Head of Foundation	Keith Price
Head of Conservation	Dr Marina Sokhan
Head of Access to Learning	Dr Matthew Rowe
Head of Development and External Relations	Hannah Travers (until June 2024)

Reference and administrative information

Registered and principal office	124 Kennington Park Road London SE11 4DJ
Telephone	020 7735 2306
Website	www.cityandguildsartschool.ac.uk
Email	office@cityandguildsartschool.ac.uk
Company registration number	07817519 (England and Wales)
Charity registration number	1144708
UKPRN	10039082
Bankers	Barclays Bank plc Southwark Branch 29 Borough High Street London SE1 1LY
Investment Managers	Cazenove Capital Management Limited 1 London Wall Place London EC2Y 5AU
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Trustees' Report | Year to 31 August 2024

Introduction

The Board of Trustees ("the Board") of City and Guilds of London Art School Limited ("the Art School" or "the Charity" or "the charitable company") presents its annual report and the audited financial statements for the year ended 31 August 2024.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and comply with the Office for Students' Accounts Direction.

Constitution

The Art School is a charitable company, limited by guarantee, not having a share capital. The Art School's governance is determined by its Articles of Association, dated 22 May 2019. As set out in the Articles the Directors of the Art School form the Art School Board of Trustees. To assist in exercising their duties, the Board has a number of Committees, which are detailed and governed by the Art School's "How We Work: Governance and Management" Handbook.

The Charity was incorporated on 20 October 2011 to continue the educational activities that were transferred from City and Guilds Art School Property Trust ("the Property Trust") on 31 March 2012 as part of a business transfer agreement.

The Art School is a Higher Education Provider registered with the Office for Students in its Approved Category.

Principal aims and activities

Founded in 1879, and with a history dating back to 1854, the Art School is one of the UK's oldest art educational institutions specialising in art, craft and conservation. Its original mission was to provide quality instruction in applied art and design for local people. This broadened over time and since World War II has encompassed restoration and conservation to assist, initially, with the effort to repair London's monuments and heritage. Through this, it developed a strong reputation for excellence in both art and craft.

The Art School's mission today is to nurture individual talent by providing an immersive learning environment with an emphasis on the dialogue between the eye, the hand and the material, informed by the study and analysis of historical and contemporary art and craft. This is delivered through a number of specialist courses including undergraduate and postgraduate courses in Fine Art, Carving (architectural stone and ornamental wood carving and gilding), Conservation of cultural artefacts (with a focus on three-dimensional objects, gilded and other decorative surfaces, and on books and paper), as well as a Foundation Diploma in Art & Design. This activity is consistent with the objects contained within the Art School's Articles of Association.

The Art School sets out to educate artists, craftspeople and conservators who will go on to make a significant contribution in their fields, through the pursuit of excellence in traditional skills as well as through creative innovation and enterprise and a commitment to offering students a high level of contact time working with some of the country's leading specialist practitioners.

Convinced of the social value and necessity of its subjects, not only for the creative and heritage sectors, but for society at large, the Art School champions the roles that art and craft play by engaging in national and international collaborations and through public facing events.

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects and motivating students to be inquisitive and resourceful, equipping them to go on learning through practice for the rest of their lives.

Activities and achievements

STUDENT NUMBERS AND ACADEMIC ACHIEVEMENTS

The number of students enrolled at the beginning of the 2023/24 academic year totalled 270 (293 in 2022/23).

Foundation Studies

70 students (95 in 2022/23) successfully completed their year of study and were awarded a Foundation Diploma in Art & Design from UAL Awarding Body (19 with Distinction), with many able to secure a place on the university course of their choice.

Fine Art

23 students (22 in 2022/23) were awarded BA (Hons) degrees in Fine Art; 21 Firsts and 2 Upper Seconds. 1 Student was awarded a Graduate Diploma (with Distinction).

29 students (23 in 2022/23) were awarded MA Fine Art degrees; 20 with Distinction; 7 with Merit and 2 Passes.

Conservation

12 students (11 in 2022/23) were awarded BA (Hons) Conservation Studies; 6 Firsts, 4 Upper Seconds, 1 Lower Second and 1 Third. 1 student was awarded an Ordinary Degree. 2 students (3 in 2022/23) were awarded a Graduate Diploma (both with Distinction). 2 students (1 in 2022/23) were awarded a Certificate of Higher Education.

1 student (1 in 2022/23) was awarded MA Conservation Studies (with Distinction).

Carving

5 students (12 in 2022/23) were awarded BA (Hons) Carving; 3 Firsts, 1 Lower second and 1 Third. 3 students were awarded a Graduate Diploma (all with Merit). 1 student was awarded a Certificate of Higher Education.

SCHOOLWIDE ACTIVITIES

Following a thorough and robust process, the Art School was able to confirm a new validation partner and looks forward to working with Art University Bournemouth from the 2024/25 academic year. We will continue to work with Ravensbourne University London as the 'teach out' arrangements for currently registered students are completed, to whom our thanks are extended for their support over the past five years.

Extending our outreach activities and increasing engagement in the local community is a key component of our 2022-27 Strategic Plan. The Art School's 'Tutors into Schools' programme which had been planned for in the previous year was launched with great success. Art School tutors, alumni and students were able to go into the classrooms of local secondary schools to support art, design & craft teachers by providing bespoke workshops in our specialisms. 9 local schools together with the Baytree Centre for women and girls in Brixton benefitted from the programme which introduced over 1,000 young people to the possible creative pathways for their next educational and career steps. Funding has been secured to continue the programme in 2024/25.

Following successful fundraising, the Art School was also able to repeat and extend its Saturday Club for local 13-16 year-olds, in conjunction with the National Saturday Club under its Craft&Making programme. Two cohorts of participants were given the opportunity to learn and use traditional skills to make a series of hand-crafted artworks with a contemporary twist. The programme culminated again in the National Saturday Club Summer Show, which took place at Somerset House where participants exhibited their project outcomes. A third year has also been secured for 2024/25.

A further new initiative was the introduction of an evening class programme. Over both the autumn and spring terms classes in a range of subjects were held on Wednesday evenings and proved to be extremely popular. An enlarged programme is consequently being run in 2024/25.

The success of our Summer School programme of week-long short courses in our specialisms was built on and a further expanded programme held in July 2024. This was supplemented by a bespoke programme for conservators from across the Commonwealth funded by and run in partnership with the Commonwealth Heritage Forum.

As a result mainly of this outreach activity, the Art School was awarded Educational Institution of the Year in the inaugural BeLambeth Awards celebrating outstanding achievements in skills and employment in the Borough.

The Art School was delighted to take part once again in London Craft Week, hosting a two-day event that presented specialist craft and hand skills to local school groups and the general public, and celebrating craftsmanship and creativity. The activities included exhibitions, conservation demonstrations from students and tutors, and print-making workshops in our historic etching room. We were grateful to distinguished stone carver Anna Rubincam and Miranda Lowe CBE, Principal Curator of Crustacea at the Natural History Museum and Chair of Culture, as our judges for this year's carving competition (on the theme of 'under the sea'), and to the Masons' Company Craft Fund, the Carpenters' Company, Dick Onians and Fabal Lager for their support.

A programme of extra curricula talks for students got underway. In February we were visited by Kelvin Okafor, 2005 alumnus of our Foundation Diploma in Art & Design and an internationally renowned and award-winning drawing practitioner and pencil artist. In his talk, Kelvin shared his career journey, in which he reflected on his year at CGLAS and how important it had been to him. He discussed his drawing process and his current body of work, 'Drawing Awareness'. In April 2024, we welcomed Fine Art Alumnus Jack Bullen, Director of Woolwich Contemporary Print Fair, to share his journey setting up the Fair as well as to encourage students to submit their work in print for exhibition.

As part of the Royal Literary Fund Fellowship Scheme, the Art School continued to host two professional writers during term time. The Writing Fellows offered individual appointments where students could discuss all aspects of their writing, such as structuring an argument, making essays clearer and improving style.

Nick Rampley (right), Director of Resources & Operations, receiving the Educational Institution of the Year Award on behalf of the Art School at the BeLambeth Awards 2024

An Introduction to Global Conservation: Commonwealth Summer School 2024

First Year Carving students taking part in the Annual Carving Competition, part of our London Craft Week 2024 event

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES

The 2023 MA Show in September featured artworks from over 30 exhibitors in a celebration of the outstanding work of our postgraduate Fine Art, Conservation and Carving students who had completed their courses at the end of the 2022-23 academic session, as well as current work from our Fellows.

At the end of June 2024, our final year undergraduate and Graduate Diploma students celebrated their graduation from the Art School at our annual Degree Show Ceremony and Prize Giving. The show exhibited the work of our graduands from the undergraduate Fine Art, Conservation and Carving courses. 20 prizes were awarded to those graduating including prizes for international study and research trips, others included recognition of drawing and printmaking skills.

A trip in the autumn to Venice for second year Carving and Conservation students provided over twenty students with the opportunity to engage directly with Venice's art and architecture under the guidance and expertise of their tutors over five days. In February 36 first year Carving and Conservation students enjoyed a trip to Paris, generously subsidised by the Stuart Heath Charitable Settlement, to enrich their learning experience with visits to several significant architectural sites and museums.

In October 2023, in partnership with University of the Arts London and OCAD University in Toronto, we were delighted to see the culmination of a two-part international online research practice event, 'Come Together, Right Now', that aimed to form a new online community of artists.

Foundation

- The Art School was hugely grateful to have received a new grant from the Freelands Foundation which will provide five new bursaries for those wishing to study with us on our Foundation Diploma: Art & Design in 2024/25. Each of the new Freelands Foundation Bursaries will cover full tuition fees as well as a stipend towards materials.
- The Foundation Show 2024, which took place in May, was a celebration of the outstanding work of our 2024 graduates studying on the Foundation Diploma in Art & Design course. During this year of exploration, students interrogate and extend their art practice and create an impressive body of work, displayed in this end of year show.
- A collaboration with the Carving department allowed those Foundation students interested in doing so to engage in a week's taster course in stone carving while the carving students were off-site.
- Foundation Diploma in Art & Design 2024 alumni Liz McLaren and Katarina Jimack had their work selected for UAL Awarding Body Origins Creatives 2024, a celebration of student achievement and creativity bringing together student work from across UAL Awarding Body subject areas.

Conservation

- The Conservation department's longstanding partnership with Rochester Cathedral continued in 2023/24 with BA (Hons) Conservation: Stone, Wood & Decorative Surfaces students involved in the cleaning of the Lapidarium's collection as well as stone and pigment projects in the care of final year students.

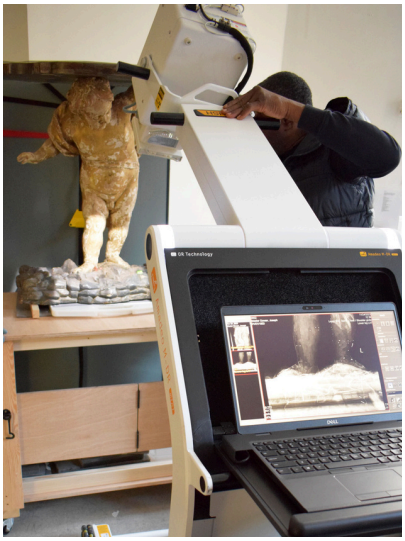
MA Conservation Graduate Jonathan Wright appointed as QEST Trustee (image from London Craft Week event at the Art School)

Work by Foundation student Katarina Jimack, one of our students selected for UAL Awarding Body Origins Creatives 2024, in the Foundation Show 2024

Graduating students celebrating at the Degree Show 2024 End of Year Ceremony

- In November 2023 recent MA Conservation Graduate Jonathan Wright was appointed as newest QEST Trustee. Jonathan is a master globemaker, with over ten years of experience working in globe production since starting an apprenticeship in 2012. He graduated from the MA in Conservation in September 2023, and has opened his own studio, J. Wright Globemaker, offering specialist conservation and restoration services alongside creating bespoke globes.
- MA Conservation student Charlotte Jones continued work on an English carved 'mecca' silver gilded picture frame, from c.1660, loaned by the Thomas Plume Library, and worked on the cleaning and restoration of the 19th century reredos at St. Pancras Old Church by the esteemed decorative artist Charles Edgar Buckeridge. The reredos is a triptych made from carved oak, with gilded and painted panels in a stylistic homage to 15th century religious art.
- For the stone module of the second year of BA Conservation: Stone, Wood and Decorative Surfaces, students were assigned a commemorative marble tablet that had been stored in the crypt at Kensal Green Cemetery, one of the "Magnificent Seven" cemeteries that opened within London in the 1830s and 1840s. Students assessed, proposed a treatment and carried out conservation work.
- In February, second year BA (Hons) Conservation: Books & Paper students went on study trips to visit three sites to learn about leather conservation: Harmatan Leather, a specialised tannery, the Leather Conservation Centre, and the Museum of Leathercraft, where they were privileged to be given a private tour of the premises, and looked at rare collectibles.
- The Britain-Australia Society Education Trust (BASET) and the Art School came together again to offer financial support to a talented and deserving person with a passion for conservation. The Endeavour Award was made to Rick De La Espriella, an Australian national, to study on the Art School's three-year BA Conservation: Stone, Wood & Decorative Surfaces course.
- We were delighted to be joined by Artist Julie Hayashi, who ran a demonstration on Nihonga (traditional Japanese Painting) at one of our student Skill Share events. With a PhD in Japanese Painting (Conservation) from Tokyo University of the Arts, Julie gave a generous presentation on her work in the conservation and the mounting of paintings, the research of painting techniques, the reproduction of cultural property and Nihonga painting.

- A mobile X-Ray service came to the Art School to support our Third Year BA (Hons) Conservation: Stone, Wood & Decorative Surfaces students in the analysis of their objects as part of their final year projects.
- Alongside specialist conservation practice, students in the final year of BA (Hons) Conservation and students studying MA Conservation undertake a conservation research project based on an area of conservation practice they have identified during their practical work. Students prepare a thesis illustrating their research methodology, experimental data and conclusions. Their research findings were presented at the Conservation Symposium in April 2024, a public-facing annual event held at Imperial College London to which professionals and interested parties from the world of Conservation are invited.
- Second Year BA (Hons) Conservation: Stone, Wood and Decorative Surfaces students carried out investigations of three areas of Southwark Cathedral, looking at the history, the use of replacement stone, condition and environment of each area. In a seminar at the Cathedral, they presented their findings plus recommendations for the care, conservation, and presentation of these monuments. One of our Third Year students also presented an update on her work on four of the roof bosses.
- Over the Summer of 2024, students went on a variety of work placements including to Lambeth Palace Library, the Wellcome Collection, The Museum of English Rural Life, Greens Books and the British Museum.
- Congratulations to BA (Hons) Conservation: Stone, Wood and Decorative Surfaces alumna Alannah Hay, who won the 'Early Career Conservator' Award at the Marsh Conservation Awards 2024. The awards promote the wider recognition of conservation and the value it brings to society, and showcase highly skilled practitioners who are championing advances in best practice, research and training.



Third Year BA (Hons) Conservation: Stone, Wood and Decorative Surfaces students using X-Ray analysis in their final year projects

A Young Initiate, Kofi Perry,
BA Fine Art alumnus and winner of the Ingram Prize 2023

BA Carving: Woodcarving and Gilding alumna Jo Grogan winning the Student Design Category at the Wood Awards 2023

Tom Ball, de Laszlo Lead Woodcarving Tutor, wins the Heritage Crafts Woodworker of the Year Award 2023
Image credit: Stefan Jakubowski, Heritage Crafts

BA Fine Art student Bunny Hennessey, one of the winners of the 2024 Freelands Painting Prize, at the exhibition opening with her painting 'Laundry Day'

BA Carving: Woodcarving and Gilding student Joss Trevena wins the Michael Robert Memorial Prize at the British Art Medal Society Student Medal Project

Carving

- In September 2023 Tom Young was appointed as the new Head of Carving. Tom has over 20 years extensive experience as a lettering designer and carver, and has run his own business alongside developing his teaching practice. Having taught Lettering at the Art School since 2006, Tom has held the position of Senior Lettering tutor since 2014. Professionally, he has worked with organisations such as the Fishmongers Company, the Olympic Park, Old Royal Navy College Greenwich, Eton College and many others.
- Tom Ball, de Laszlo Lead Woodcarving Tutor, won the Heritage Crafts Woodworker of the Year Award 2023, following his nomination by the Art School. The prize was awarded at a presentation at St George's College, Windsor Castle in November 2023. The award, now in its second year, "celebrates a heritage craftsperson who has made an outstanding contribution to the field of woodworking over the past year. It recognizes a contribution that is far beyond the ordinary, based on a proven dedication to a particular woodworking skill" (Heritage Crafts)
- Tom was also featured in the 200th edition of Woodcarving Magazine. Interviewed by Guest Editor Steve Bisco, Tom discussed how he began his career, his training at the Art School and his work in carving, conservation and restoration, including restoration work on Grinling Gibbons carvings.
- The 2023/24 Sir Denis Mahon Sculptural Project Grant was awarded to BA Carving student Alex Wheeldon.
- The Department's partnership with workwear brand Carhartt Europe continued in 2023/24, with Woodcarving student Alec Stevens and Stone Carving student Kate Holmes as CGLAS X Carhartt Ambassadors.
- In November 2023, the department hosted four 2023 Society for the Protection of Ancient Buildings Fellows for a week-long placement in the Carving Department. Their time at the Art School was spent learning Stone Carving alongside our BA (Hons) Carving: Architectural Stone students. "I had such a great time, we learnt invaluable skills and knowledge through the kindness of the tutors. We were welcomed as normal students and given the time we needed. It was lovely to see how passionate everybody was about their craft and how everybody was willing to share their skills so freely." (James Osbourne, SPAB Fellow 2023)

- 2023 BA (Hons) Carving: Woodcarving and Gilding alumna Jo Grogan won the Student Design Category at the Wood Awards 2023 with her work and final year project 'Rocaille Morphosis'.
- In January 2024 the department worked with St Marylebone Parish Church on an Architecture and Visual Impairment Project as part of the Church's National Lottery Heritage funded Changing Lives Project, aimed at fostering community inclusion; the Church invited our Second Year BA (Hons) Carving: Architectural Stone students to create small tactile models of architectural elements of the Regency-era Church. Once cast in jesmonite, the models will be used in visual impairment group workshops to enable new multi-sensory engagement.
- Woodcarving students Henry Brown and Alice Ridgeway won prizes at the Worshipful Company of Joiners & Ceilers' annual national woodcarving competition in April 2024.
- Four of our students had their work accepted for this year's British Art Medal Society Student Medal Project, with first year BA (Hons) Carving: Woodcarving and Gilding student Jocelyn Trevena winning the Michael Robert Memorial Prize for her medal 'Agatha'.
- Two members of the Art School community received Master Crafts certificates from the Livery Company Skills Council with the City and Guilds of London Institute in early 2024. The Skills Council prizes recognize outstanding learners and tutors. Congratulations go to Nina Bilbey, Tutor and current MA student, and Woodcarving alumna Jo Grogan on the award of their Master Certificates.

Fine Art

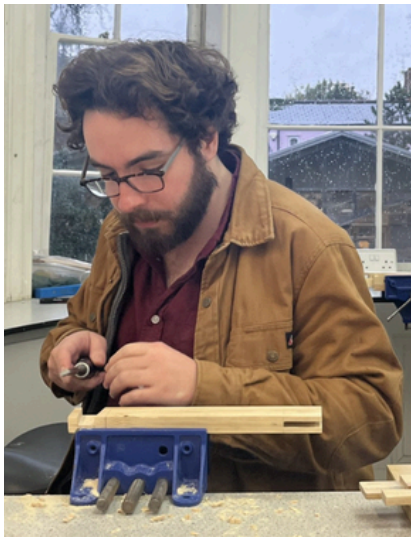
- The Art School bade farewell to Robin Mason who retired as Head of Fine Art in March; we extend our deep gratitude to Robin for his excellent leadership of the Fine Art department over many years.
- Four of our Fine Art alumni were selected as Finalists for the Ingram Prize 2023. The yearly prize is open to artists who graduated in the last five years. Now in its 8th year, the Prize was established to celebrate and support artists at the beginning of their careers. Huge congratulations to BA Fine Art 2022 alumnus Kofi Perry who won for his work 'A Young Initiate' at the exhibition at Cromwell Place in December 2023.

'Mannequin' and 'I love apple and apple loves me' Sophie Lloyd (BA Fine Art, 2023), selected for New Contemporaries 2024

'ANON - DTF', Valentino Vannini (MA Fine Art, 2023), selected for New Contemporaries 2024

Laura Carey, MA Fine Art 2023, at the opening of the Herbert Smith Freehills Portrait Award with her work 'I'll Never Not Miss You'

Nina Bilbey awarded her Master Certificate, acknowledging a career spanning over thirty years including her work as Senior Stone Carving Tutor at the Art School



Rick De La Espriella, First Year BA Conservation: Stone, Wood & Decorative Surfaces, newest recipient of the BASET and City & Guilds of London Art School Endeavour Award

- We were delighted that 6 recent graduates had been selected for New Contemporaries 2023. The exhibition launched at Grundy Art Gallery, Blackpool in September before travelling to the Camden Art Centre, London in January and ran to 31 March 2024. New Contemporaries has held a vital role in the UK's contemporary art scene, showcasing emerging artists some of whom have become internationally renowned.
- Valentino Vannini (MA Fine Art 2023), and Sophie Lloyd (BA Fine Art 2023) have been selected for the prestigious New Contemporaries touring show 2024.
- In November, alumni, students, tutors and fellows exhibited work at the 2023 Woolwich Contemporary Print Fair. The Art School's annual prize awarded to an external printmaker exhibiting at the Fair was given to Laetitia Hallen, providing 3 days in the Art School Print Room working alongside tutors, fellows and students.
- At the mid-point of the course, MA Fine Art and Carving students produced an interim show at the Art School for the community of students and staff to present their work in an exhibition format.
- Final year BA Fine Art student Bunny Hennessey was nominated for the Freelands Painting Prize 2024 and selected as one of the winners. The Prize "celebrates outstanding painting practice taking place at undergraduate level in art schools and universities across the UK" with submissions reviewed anonymously by a jury of artists, curators, gallerists & writers. The Art School is the only art school to have had a winner every year since the Prize was founded in 2017.
- BA Fine Art Year 1 and 2 students self-organised an offsite interim show of their work at the Stokey Popup in Stoke Newington as part of their professional practice training.
- Third year BA (Hons) Fine Art student Eleanor Cunningham featured in this year's a-n Degree Shows Guide. Students are selected for the guide by open call, and Eleanor was amongst 31 artists from 28 UK art schools featured this year.
- BA Fine Art student Liberty Sinclair won the Art School-wide annual Fishmongers' Company Menu Design Prize. Her design will be used by the Company throughout the rest of the year at its events.
- The 2023/24 Sir Denis Mahon Sculptural Project Grant was awarded to BA Fine Art student Leigh-ann Cousins.

- As part of the London Craft Week 2024 programme, the Worshipful Company of Painter-Stainers hosted an exhibition 'The Gilded City' in May, bringing together the work of eleven artists working with gilding, including 4 Fine Art alumni and former CGLAS Decorative Surfaces Fellows.
- 2023 MA Fine Art alumna Laura Carey was selected for the 2024 Herbert Smith Freehills Portrait Award at the National Portrait Gallery.
- Artist Woodwork Fellows for 2023/24 were selected and we welcomed Camilla Dilshat (2023 MA Fine Art Alumna) and Emma Sheehy to the workshops.
- Eloise Dethier-Eaton (2023 MA Fine Art Alumna) was awarded the 2023/24 Painter Stainers' Decorative Surfaces Fellowship at CGLAS. The Fellowship focuses on historic techniques such as gilding, fresco painting, trompe l'oeil and scagliola and provides specialist training in traditional processes with professional mentoring from the Painter-Stainers Company.
- Holly Hooper, Valentino Vannini and Mils Bridgewater were welcomed as Artist Glass Fellows for 2023/24.

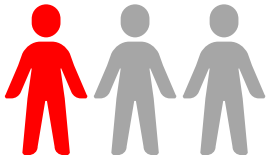
Bursaries and scholarships

The continued generosity of the Art School's many benefactors enabled fee bursary awards of £400,593 (£258,486 for the previous 12 months). Contributions made by way of direct applications for support by students amounted to an additional £13,900 for the academic year (£23,684 in the previous year). In the course of the 12 months to 31 August 2024, fee bursaries were given to a total of 77 students (67 in the previous year), representing more than one in three students on the Art School's undergraduate and postgraduate courses towards which bursary and scholarship support is primarily directed. New pledges for coming years have also been secured. Trustees continue to regard increasing the amount of bursary and scholarship funding available for students as a priority.

£400,593

in fee bursary awards

New pledges secured for the coming years



more than 1 in 3 students with bursary and scholarship support

+14.9%

increase in number of students receiving fee bursaries

The Art School would like to thank the following whose support during the year has ensured the continuation and development of its educational activities:

Anna Plowden Trust
Anthony Caro Centre
Artists' Collecting Society
Arts Society (National)
Barbara Whatmore Charitable Trust
Baton Fine Art Prize
Behrens Foundation
Brinsley Ford Charitable Trust
CGLAS Board of Trustees
Charlotte Bonham-Carter Charitable Trust
City & Guilds Foundation
City and Guilds of London Institute
Colart
De Laszlo Foundation
Dick Onians
D'Oyly Carte Charitable Trust
Drake Trust
Harriet Anstruther
Headley Trust
Historic Houses Foundation
Hiver Beer (in kind)
Honourable Society of Knights of the Round Table
Idun Ravndal Memorial Legacy Fund
Jack Lander Foundation
Joseph Holzer
Leche Trust
Leverhulme Trust
Master Carvers Association
Nina Lobanov-Rostovsky
Norman Ackroyd CBE RA
Prue McLeod
Queen Elizabeth Scholarship Trust
Radcliffe Trust
Roger de Grey Memorial Fund
Royal Female School of Art Foundation
Royal Literary Fund (in kind)
Sandy & Zorica Glen Charitable Settlement
Sir Denis Mahon Collection
South Square Trust
Stanley Picker Trust
Stuart Heath Charitable Settlement
Swire Charitable Trust
Taylor Pearce Ltd
University of the Arts London
Vandervell Foundation
Venice in Peril
Worshipful Company of Builders Merchants
Worshipful Company of Carpenters /
Norton Folgate Charitable Trust
Worshipful Company of Drapers
Worshipful Company of Dyers
Worshipful Company of Fishmongers
Worshipful Company of Grocers
Worshipful Company of Joiners and Ceilers
Worshipful Company of Masons - Craft Fund
Worshipful Company of Painter Stainers
Worshipful Company of Skinners

Governance, structure and management

REVIEW

Following the Governance Review undertaken in the previous year to inform its proceedings and meet the recommendations of the Office for Students, the Board implemented the Review's recommendations, chief amongst which was the establishment of a Finance & General Purposes Committee to which the Investment and Remuneration Committees should become Sub-Committees.

The current year saw further consolidation of the membership of the Board of Trustees: following an analysis of skills needs two new Trustees were appointed during the year together with the appointment of the new staff trustee from the beginning of the 2024/25 session and the appointment of the student representative, whose appointment as Chair of Students expires on an annual basis.

ORGANISATION

The Trustees are Directors of the Company for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of Charity legislation.

The Board is the policy-making body of the Art School. It is assisted by the Secretary, who is appointed by the Board. The Board also operates through a number of committees, including: Audit & Risk Committee; Finance & General Purposes Committee (together with its Investment and Remuneration Sub-Committees) and Nominations Committee.

Though the Board retains responsibility for the assurance of institutional quality and standards, the control of academic matters, including the structures, processes and regulatory frameworks through which academic matters are decided and overseen, resides with academic staff. Academic authority is exercised through the Academic Board, advised and supported by professional /administrative colleagues and with the involvement of students. The Academic Board is chaired by the Principal and operates under delegated authority from the Board. It is supported by the various Boards of Studies for each of the Academic Departments. The Site and Environment Sub-Committee, established in October 2019 also reports to the Trustees through the Audit & Risk Committee.

KEY MANAGEMENT PERSONNEL

The Principal of the Art School, who is an Ex Officio Trustee, is charged with carrying out the policies agreed with the Trustees and with managing the Art School's academic activities and directing and running the organisation on a day-to-day basis. She is assisted in this by the Director of Resources & Operations and by the Heads of Department for each of: Access to Learning; Art Histories; Conservation; Fine Art; Foundation; and Carving; who, along with the Head of Finance and Head of Development & External Relations, form the Senior Management Team.

In addition, there are functional heads responsible for supervising certain key shared facilities such as the Site Manager, Librarian, Drawing Studio Manager and Print Room Manager.

The remuneration of key management personnel as well as the overall scheme for all staff is set and approved by the Trustees through the Remuneration Committee. Remuneration is reviewed annually, paying due regard to market rates and sector benchmarks.

PERSONNEL

In line with the Art School's policy whereby students are largely taught by practising professionals, specialist tutors are engaged on an annual or term-by-term basis for a specified number of days. In this way, students are exposed to a wide variety of specialist skills, creative models and critical opinions, whilst continuity of academic progress is ensured by the Heads of Department. The Art School's non-academic activities (including administration, finance and development), are run by a small administrative team reporting to the Head of Resources & Operations.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Art School is exposed. In particular, these relate to: academic standards and reputation; student recruitment and financial sustainability; and compliance with statutory and regulatory requirements, in particular those relating to: Office for Students Registration; Course validation and designation; Home Office Student Visa Sponsorship Duties; General Data Protection Regulations; and Health & Safety.

All areas of risk are monitored through the Art School's governance structure which identifies the lines of responsibility and decision making for each aspect of the Art School's operation, with the Audit and Risk Committee responsible for reviewing Risk Registers and reporting to the Board.

The Trustees and Senior Management Team ensure that the Art School's operations are protected against significant risk through annual monitoring, action planning and risk assessment procedures. The Art School has comprehensive insurance cover against key areas of risk; in addition to Public Liability Insurance cover of up to £10m and Directors' Liability cover of up to £2m, the Art School also has a business interruption insurance covering up to 24 months of fee income. The Art School's accommodation is insured by the Property Trust, at its full re-instatement value.

In addition, in accordance with Office for Students requirements, the Art School has put in place a Student Protection Plan, which details how the Art School will support students to complete their studies, should the Art School face an extreme challenge leading to total or practical closure.

The Board is satisfied that systems are in place to mitigate, or control where possible, the Art School's exposure to the risks mentioned above.

FUNDRAISING STATEMENT

The Art School adheres to good standards of ethical fundraising. Its Gift Acceptance Policy was reviewed and revised during 2021-22 and formalises the Art School's practices and ethical fundraising position. The Art School greatly values the support it receives from donors. The majority of its donations are received from institutions, which the Art School approaches from time to time. A small number of donations are received from individuals, including student alumni, who are approached from time to time via written correspondence, email or at events.

The Art School does not approach individuals for donations who are not known by the Art School, and does not canvas on the street for donations. The Art School does not employ any third parties to fundraise on its behalf, and no complaints have been received about its fundraising activity. Donors' personal data is not shared with any third party, and is stored safely and securely in line with the General Data Protection Regulations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

A Statement of Trustees' responsibilities is included in the Statement of Corporate Governance and Internal Control.

BOARD OF TRUSTEES

The members who are in office at the date of this report are listed on page 1 with dates of appointment during the course of the reporting year where applicable given below in the Statement of Corporate Governance

No Trustee has received any remuneration for services as a member of the Board (2023 - none).

The Statement of Corporate Governance and Internal Control sets out the Trustees who were in office for the year ended 31 August 2024 and up until the date of approval of the financial statements (unless otherwise indicated).

OBJECTIVES AND RELEVANT POLICIES

The Art School's objectives are set to reflect its educational aims and ethos. In setting these, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and to its supplementary benefit guidance on fee charging.

ACCESS AND EQUALITY AND DIVERSITY

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects. It believes in the importance of a diverse student community. The Art School charges fees at a level commensurate with the majority of other institutions that offer higher education in art and design. Not all of the Art School's students are eligible for student loan support, so it seeks to provide financial support through bursaries from its own investment income, from funds raised specifically for this purpose from a wide range of charitable sources and by supporting students in their own search for financial support. The Board's policy is to provide fee bursaries on the basis of need and educational ability, subject to such restrictions as may have been imposed by the donors of the funds at its disposal, and within the capacity of the funds available.

The Art School is committed to promoting and upholding equality and diversity and is committed to a working environment which is free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, disability or age. It anticipates the needs for a diverse range of learning styles and makes reasonable adjustments to meet the specific needs of students and staff who are, or become, disabled, functionally disabled or possess some other protected status.

PUBLIC BENEFIT

The Trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the Art School during the period to further its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

INVESTMENT

The Art School's investments are managed by Cazenove Capital Management Limited. The Art School has a portfolio of investments with a market value including cash as at 31 August 2024 of £1,655,619 (2023: £1,551,889).

There are no extra-statutory restrictions on the Art School's power to invest. The investment strategy is set by an Investment Committee reporting to the Board of Trustees and considers capital growth and income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to provide the level of income sought by the Trustees whilst endeavouring to ensure that longer term capital values more than cover the impact of inflation. The performance of the portfolio is reviewed regularly by the Investment Committee.

Financial Review

RESULTS FOR THE YEAR

The Art School recorded a surplus before net gains on investments of £46,183 (2023: surplus of £125,888) for the year. Unrestricted funds recorded a deficit of £18,128 (2023: surplus £44,988), reflecting additional costs arising from one-off administration costs and an increase in equipment costs.

Realised gains were £nil (2023: losses of £28,686) and unrealised gains of £111,673 (2023: losses of £57,933) on the Art School's investments were recorded in its restricted and endowment funds.

RESERVES

The Board has examined the requirement for free reserves i.e. those funds not invested in tangible fixed assets, not designated for specific purposes, not restricted and not otherwise committed.

The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital as the activities of the Art School grow. In the meantime, the Trustees have taken the view that the expendable endowments and free reserves (as calculated below) should be considered together and are satisfied that this is in line with the reserves policy. A target of three months' operating expenditure would be deemed appropriate.

FINANCIAL POSITION

The balance sheet shows total funds of £1,567,650 (2023: £1,409,794). These funds include endowment funds of £770,861 (2023: £671,764). Whilst the income from these funds may be used for the general purposes of the Art School, most of the endowment fund balances themselves are currently regarded as long term capital.

Also included in total funds is an amount of £738,839 which is restricted (2023: £661,952). These monies have either been raised for, and their use is restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Details and an analysis of movements in the year of these endowment and restricted funds can be found in notes 15 and 16 to the financial statements.

Unrestricted funds, other than those held within expendable endowments, at 31 August 2024 are in a positive position of £57,950 (2023: positive £76,078). These funds are represented by general fund tangible fixed assets other than investments of £173,709 (2023: £211,934) and by free reserves, inclusive of expendable endowments, of £480,529 (2023: £380,616). The Trustees have considered the position in the context of known future sources of income and the expendable endowments which are available to provide liquidity to the School if needed, and thus consider the reserves position to be acceptable in the context of the reserves policy.

INVESTMENT PERFORMANCE

During the year to 31 August 2024 the Charity's investments produced an overall income of £68,449 (2022/23: £58,117) and a net capital gain of £111,673 (2022/23: loss of £57,933). The investment managers continued to invest in accordance with the Trustees' investment policy, which is reviewed by the Investment Committee and the Board annually, and which is based on an ethical investment approach. The Trustees are satisfied that their investment objectives are being met by the performance of the investments in the context of existing economic and investment conditions.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements and have considered the following:

Statement of corporate governance and internal control Year to 31 August 2024

The following statement is provided to enable readers of the annual report and financial statements of City and Guilds of London Art School Limited to obtain an understanding of its governance and legal structure. These are detailed and governed by the How We Work: Governance and Management Handbook.

The statement covers the period from 1 September 2023 to 31 August 2024 and up to the date of the approval of the annual report and financial statements.

The Art School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2018 in so far as it is applicable to the Higher Education Sector, and the Charities Act 2011.

2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities, in accordance with the Higher Education Code of Governance.

We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code, the Higher Education Code of Governance and the Charities Act 2011.

The Board of Trustees recognises that as a body entrusted with private funds, charitable funds and public funds where received, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

City and Guilds of London Art School Limited is a charitable company, limited by guarantee, not having a share capital.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below.

The Board of Trustees (continued)

Trustee	Appointed / Resigned
Andrew Allen KC	
Laurence Benson (Vice-Chair)	
Jamie Bill (Chair)	
Dr Virginia Brooke	
Dr Caroline Campbell	
Edward Campbell-Johnston	
Laura Carey	Appointed 1 October 2024
Sokari Douglas Camp CBE	Appointed 19 June 2024
Paul Farmiloe	Appointed 1 October 2023
Martin Hatfull	
James Kelly	
Tabish Khan	
Michael Osbaldeston	
Dr Michael Paraskos (Staff Trustee)	Resigned 29 February 2024
Prof Jane Rapley OBE	
Theo Ritzinger (Student Trustee)	Resigned 30 September 2023
Prof Elizabeth Rouse OBE	
Dr Lois Rowe (Principal and Accountable Officer)	
Alexander Stitt	
Helen Sunderland-Cohen	
Carol Taylor	Appointed 19 June 2024

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. Three members of the Board of Trustees have interests within the organisation, including two salaried members of staff, the Principal (ex-officio Trustee), the staff representative Trustee (elected), and the Student representative Trustee (also known as Chair of Students); none of them receive remuneration for their services as members of the Board.

The Company Secretary to the Board of Trustees maintains a register of financial and personal interests of the members of the Board of Trustees, updated annually.

Statement of trustees' responsibilities

The Trustees (who are also Directors of the Art School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

Statement of trustees' responsibilities (continued)
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees are also responsible for ensuring that the School continues to meet the conditions for Office for Students registration, and also safeguarding freedom of speech and academic freedom.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Meeting Procedures
Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Reports include financial performance of the organisation together with other information such as recruitment, academic and quality matters, personnel related matters, and health and safety matters. The Board of Trustees met 5 times in 2023/24. Full minutes are kept of all meetings.

Meeting Procedures (continued)
The Art School has a strong and independent non-executive membership on the Board of Trustees and no individual or group dominates its decision-making process. The organisation is satisfied that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility between the roles of the Chair and Accountable Officer.

Appointment to the Board of Trustees
Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole, as advised by the Nominations Committee.

Board of Trustees Performance Oversight
The Board of Trustees exercise robust scrutiny of performance and challenge where necessary. Board meetings provide the opportunity for thorough discussion of issues arising. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business.

A review of individual Board members' roles and contributions is conducted annually by the Chair.

Committees
During the 2023/24 session, the Board of Trustees received advice on the conduct of its business from three committees and the Academic Board. Each committee has its own terms of reference, approved by the Board of Trustees. The committees were: *Audit & Risk* Committee; *Finance & General Purposes* Committee (with Sub-Committees responsible for *Investment* and *Remuneration*); and *Nominations* Committee. The *Access & Participation* Sub-Committee (a sub-committee of both Academic Board and the Board of Trustees) also advises the Board. In addition, a Joint Development Advisory Group of the Art School and the Property Trust, a separate charity and landlord to the Art School, supported the fundraising activity of the Art School.

	Audit & Risk Committee	Finance & General Purposes Committee	Investment Sub-Committee	Remuneration Sub-Committee	Nominations Committee
Frequency of meetings	Minimum 3 p.a.	Minimum 4 p.a.	Minimum 1 p.a.	Minimum 1 p.a.	Minimum 2 p.a.
Chair	Virginia Brooke Martin Hatfull	Laurence Benson	Edward Campbell-Johnston	Laurence Benson	Caroline Campbell
Deputy Chair	N/A	James Kelly	James Kelly	Jane Rapley	Alex Stitt
Clerk	Secretary to the Board	Secretary to the Board	Director of Resources & Operations	Secretary to the Board	Secretary to the Board
Trustees	James Kelly	Michael Osbaldeston Chair of Investment Sub-Committee Principal (ex-officio Trustee) Staff Trustee	Laurence Benson	Andrew Allen Jamie Bill Martin Hatfull Carol Taylor	Andrew Allen Sokari Douglas Camp Carol Taylor Principal (ex-officio Trustee) Staff Trustee Student Trustee
Non-Trustee Members	Tim Statham		Humphrey Carey (Property Trust) Rupert Asquith		
In attendance	Humphrey Carey (Property Trust) Principal (ex-officio Trustee) Director of Resources & Operations Head of Finance	Director of Resources & Operations Head of Finance	Head of Finance Nick Orr, Cazenove Capital	Principal (ex-officio Trustee) Director of Resources & Operations Head of Finance	

Audit and Risk Committee

The Audit and Risk Sub-Committee was responsible to the Board of Trustees in discharging its responsibilities for reporting its independent opinions on the risk management, controls, governance, and value for money arrangements of the Art School. The Committee was responsible for the following:

- To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings of the audit along with the included management letter and management responses.
- To review on a regular basis the Art School's Risk Register, advise the Board of Trustees of any significant changes/additions and to escalate any serious concerns to the Board.
- To commission audit reviews of anything that could potentially threaten or adversely affect the accomplishment of the aims and objectives of the Art School, or which potentially could put the Art School at financial or reputational risk.

- To ensure, on behalf of the Board of Trustees, that sound financial and governance controls are in place, and effectively implemented; including the endorsement of the Art School's Financial Regulations, Reserves Policies and arrangements for risk and business continuity management.

Finance and General Purposes Committee

The Board of Trustees has established a Finance & General Purposes Committee, which meets four times a year, or more frequently if necessary.

The Finance & General Purposes Committee provided strategic oversight of the Art School's solvency and the use and safeguarding of its resources and assets. It did this through regular scrutiny of reports on institutional income and expenditure, review of the relevant risk registers, and oversight of budgets and forecasting. The Committee also dealt with business of a general nature (e.g., estates, health & safety, IT) that does not specifically fall to other standing committees; and monitored the activities of its two Sub-Committees, as detailed below.

Investment Sub-Committee

The Investment Sub-Committee oversaw the management of the Art School's investment portfolio. Under delegated authority of the *Board of Trustees*, the *Investment Committee* is responsible for advising the Board on the appointment of the investment managers; for monitoring the performance of the portfolio and the effectiveness of the investment strategy; and for ensuring that the Art School's investments are handled responsibly and ethically.

Remuneration Sub-Committee

The Remuneration Sub-Committee provided oversight of strategic staffing matters and determined policy on staff remuneration; and has delegated authority of the Board to determine the schema for staff pay increases and to decide the remuneration of the Principal and Senior Members of Staff.

Nominations Committee

The Nominations Committee oversaw the recruitment and appointment of members of the Boards of Trustees. It advises the Board on the process of governance effectiveness review; and keeps under review policies and processes relating to membership of the Board of Trustees including induction, training and development of the Trustees.

Academic Board

The Academic Board is established by the Board of Trustees with delegated powers to oversee the Art School's academic activities on its behalf and to be the Art School's supreme academic authority. Chaired by the Principal, the responsibilities delegated to Academic Board are to:

- Uphold the academic standards of Art School's courses and the quality of its teaching and student welfare provision.
- Devise, maintain, amend and, in individual cases suspend, the Student Regulations.
- Recommend the appointment of External Examiners for validated provision.
- Appoint External Examiners for non-validated provision.
- Confirm the students' results for those courses delivered independently of a validating partner.

Committees (continued)

Academic Board *(continued)*

- Elicit, receive and act upon student feedback.
- Oversee all internal review and evaluation processes including periodic reviews by the Office for Students (via the QAA).
- Work to foster excellent relationships with the Art School's validating partners.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. Such a system incorporates risk management and is designed to manage the risk of failure to achieve academic, operational and financial objectives and is designed to provide reasonable assurance against material misstatement or loss, covering such areas as educational standards, safeguarding, IT and data protection, Health and Safety and Estates, HR matters and finance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the funds received and assets. The Principal is responsible for reporting to the Board of Trustees, through the Audit and Risk Committee, any material weaknesses or failures in internal control.

The system of internal control

The system of internal control is designed to manage risk to a reasonable level and is based on an on-going process of identifying and prioritising the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at the organisation for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Art School is exposed, together with the operating, financial and governance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that an effective formal on-going process for identifying, evaluating and managing the Art School's significant risks has been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

Internal Control (continued)

The risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- a comprehensive register of risks, updated and reviewed on a semi-annual basis
- annual budgeting with an annual budget reviewed and agreed by the Board of Trustees
- periodic reviews by the Board of Trustees of management accounts and financial reports which present and assess financial performance against budget and performance indicators

Review of effectiveness

As the Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the external auditors;
- the work of the Head of Finance and other staff who have responsibility for the maintenance and development of the internal control framework;
- comments made on the Art School's financial statements and regularity by the auditors in their management letters and other reports; and
- advice provided by Trustees working through the Committees.

There are no significant internal control weaknesses reported for the period.

The senior management team regularly reviews key performance and risk indicators and considers possible control issues brought to their attention. The Audit and Risk Committee receives regular reports, which include recommendations for improvement, and conducts an annual review of the arrangements for internal control.

The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on above and reports by the Principal, the Board of Trustees is of the opinion that the Art School has an adequate and effective framework for governance, risk management and control to manage the achievements of the Art School's objectives for the year ended 31 August 2024 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Internal Control (continued)

Regularity, propriety, and compliance

The Art School has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the Art School, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the Art School, or material non-compliance with terms and conditions of funding under the Art School's financial regulations. As part of our consideration, we have had due regard to our financial regulations. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern

Details on Board's going concern assessment are set out on page 18.

Approved by order of the Board of Trustees on 22/1/25 and signed on its behalf by:

Jamie Bill
Chair

Dr Lois Rowe
Principal
and Acccountable Officer

Independent auditor's report to the members of City and Guilds of London Art School Limited

Opinion

We have audited the financial statements of City and Guilds of London Art School Limited ('the charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 2024 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with the financial reporting standards (FRS102); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 authorized 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 annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Office for Students

In our opinion, in all material aspects:

- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the Office for Students and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the latest Office for Student's Accounts Direction.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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.

We have nothing to report in respect of the following matters where the Office for Students requires us to report to you where:

- the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements, has been materially misstated.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Auditor's responsibilities for the audit of the financial statements (continued)
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;

- used data analytics to investigate the rationale behind any significant or unusual transactions;

- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and

- performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

Auditor's responsibilities for the audit of the financial statements (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Hugh Swainson, Senior Statutory Auditor
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

24 January 2025

Statement of financial activities (including income and expenditure statement, which includes statement of changes in reserves) Year to 31 August 2024

	Notes	General fund £	Restricted funds £	Endowment funds £	**Year to 31 August 2024 Total funds £**	Year to 31 August 2023 Total funds £
Income and expenditure						
Income and endowments from:						
Charitable activities						
Art School fees	1	2,938,708	—	—	**2,938,708**	2,845,816
Donations and legacies		98,128	479,266	60,173	**637,567**	717,125
Investment income & interest received	2	57,970	16,962	—	**74,932**	59,870
Other		60,032	21,817	—	**81,849**	52,487
Total income		3,154,838	518,045	60,173	**3,733,056**	3,675,298
Expenditure on:						
Charitable activities						
. Costs of operating the Art School						
.. Teaching staff and personnel	6	1,299,775	26,607	30,000	**1,356,382**	1,364,426
.. Support costs	4	1,194,402	84,532	—	**1,278,934**	1,149,753
.. Premises		548,831	—	—	**548,831**	620,094
.. Promotions and publicity	3	51,699	—	—	**51,699**	71,902
. Bursaries, scholarships and prizes	5	50,434	386,126	14,467	**451,027**	343,235
Total expenditure		3,145,141	497,265	44,467	**3,686,873**	3,549,410
Net income before gains on investments and transfers	5	9,697	20,780	15,706	**46,183**	125,888
Net gains/(loss) on investments	10	—	28,282	83,391	**111,673**	(86,619)
Transfer between funds		(27,825)	27,825	—	—	—
Net income and net movement in funds		(18,128)	76,887	99,097	**157,856**	39,269
STATEMENT OF CHANGES IN RESERVES						
Net income and net movement in funds		(18,128)	76,887	99,097	**157,856**	39,269
Reconciliation of Funds						
Fund balances brought forward on 1 September 2023		76,078	661,952	671,764	**1,409,794**	1,370,525
Fund balances carried forward at 31 August 2024		57,950	738,839	770,861	**1,567,650**	1,409,794

All of the charitable company's activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		**218,957**		263,237
Investments	10		**1,655,619**		1,551,893
			1,874,576		1,815,130
Current assets					
Stocks	11	**13,296**		15,676	
Debtors	12	**244,339**		321,522	
Cash at bank and in hand		**985,686**		1,036,116	
		1,243,321		1,373,314	
Creditors: amounts falling due within one year	13	**(1,494,691)**		(1,681,428)	
Net current liabilities			**(251,370)**		(308,114)
Creditors: amounts falling due after one year	14		**(55,556)**		(97,222)
Total net assets			**1,567,650**		1,409,794
Represented by:					
The Funds of the Charity					
Endowment funds	15		**770,861**		671,764
Income funds:					
Restricted funds	16		**738,839**		661,952
Unrestricted funds:					
General fund			**57,950**		76,078
			1,567,650		1,409,794

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

Approved by the Board on 22/1/25 and signed on its behalf by:

Jamie Bill

Dr Lois Rowe

City and Guilds of London Art School Limited: A company limited by guarantee, Company Registration No. 07817519 (England and Wales)

Statement of cash flows 31 August 2024

	Notes	Year to 31 August 2024 £	Year to 31 August 2023 £
Net cash flows from operating activities	A	**(115,317)**	(13,768)
Net cash flows from investing activities	B	**63,742**	(120,136)
Net cash flows from financing activities	C	**(9,049)**	(9,166)
Change in cash and cash equivalents in the year		**(60,624)**	(143,070)
Cash and cash equivalents at the beginning of the year		**1,080,172**	1,223,242
Cash and cash equivalents at the end of the year	D	**1,019,548**	1,080,172

Notes to the statement of cash flows for the year to 31 August 2024

A Reconciliation of net income to net cash (used in) operating activities

	2024 £	2023 £
Net income	**46,183**	125,888
Depreciation charge	**55,618**	53,906
Dividends, interest and rents from investments	**(74,932)**	(59,870)
Effect of capitalisation of investment manager's fees	**(2,395)**	(2,330)
Decrease in stocks	**2,384**	8,150
Decrease (increase) in debtors	**77,181**	(164,006)
(Decrease) increase in creditors	**(228,405)**	15,328
Net cash (used by) operating activities	**(124,366)**	(22,934)

B Cash flows from investing activities:

	2024 £	2023 £
Dividends and interest from investments	**74,932**	59,870
Purchase of tangible fixed assets	**(11,338)**	(136,182)
Payments to acquire investments	**—**	(658,859)
Receipts from the disposal of investments	**148**	615,035
Net cash provided by (used in) investing activities	**63,742**	(120,136)

C Cash flows from financing activities:

	2024 £	2023 £
Repayments of borrowing	**(9,049)**	(9,166)
	(9,049)	(9,166)

D Analysis of cash and cash equivalents

	31 August 2024 £	31 August 2023 £
Cash at bank and in hand	**985,686**	1,036,116
Cash held by investment managers	**33,862**	44,056
	1,019,548	1,080,172

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the latest Office for Students' Accounts Direction.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- the provision against doubtful and bad debts in respect to Art School fees; and
- estimates in respect of accrued expenditure.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Art School held free reserves of £480,529 as at 31 August 2024 (2023: £380,616) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School now holds expendable endowments totalling £596,288 (2023: £516,472). These expendable endowments are available to provide liquidity to the Art School if needed.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Income

Income is recognised in the period in which the Art School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from restricted funds for scholarships, bursaries and other grants.

Donations are recognised when received and are only accrued where the Art School can demonstrate entitlement to receipt and the amount is measurable and receipt is probable.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

1 The costs of charitable activities involving expenditure on the Art School's primary charitable purpose, i.e. the operation of the Art School. In addition bursaries, scholarships and prizes are given to students.

1.1 The costs of operating the Art School include the costs of premises, teaching staff and personnel, support costs including governance costs, and costs of promoting and publicising the Art School and its activities.

Included within support costs are 50% of the fees incurred in managing the School's investment portfolio. The remaining 50% of investment manager's fees are debited to the value of cash held by investment manager on the balance sheet (note 10) and also deducted from unrealised investment gains.

1.2 Bursaries, scholarships and prizes payable by the restricted funds are included in the statement of financial activities when approved, and when set off against the fees to which they relate.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Tangible fixed assets
All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

Assets are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures and fittings 10% on cost
- Tools and equipment 20% on cost
- Computer and hi-tech equipment 33% on cost
- Website 20% on cost

Debtors
Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the Charity anticipates it will pay to settle the debt.

Investments
Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Financial instruments
The Art School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Art School and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial instruments (continued)
Financial liabilities – trade creditors, accruals, the loan and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks
Stocks, comprising artists' materials for resale, are stated at cost.

Fund accounting
The general fund comprises those monies which may be used towards meeting the charitable objectives of the Art School at the discretion of the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor.

The endowment funds comprise both permanent and expendable endowments. Permanent endowments are monies which must be held as capital indefinitely. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Expendable endowments are monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

Leased assets
Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

Pension costs
Contributions to employees' personal pension plans are debited to the statement of financial activities in the year in which they are payable to the relevant plans.

1 Grant and fee income

	Year to 31 August 2024 £	Year to 31 August 2023 £
Fee income for taught awards	**2,938,708**	2,845,816
Total grant and fee income	**2,938,708**	2,845,816

The School had no other types of grant and fee income as detailed in clause 23 of the Office for Students Accounts Direction.

2 Investment income and interest receivable

	General fund £	Restricted and endowment funds £	**Year to 31 August 2024 total £**
Income from UK investments			
. Unit trusts and common investment funds	51,487	16,962	**68,449**
Bank interest	6,483	—	**6,483**
	57,970	16,962	**74,932**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2023 total £*
Income from UK investments			
. Unit trusts and common investment funds	*45,031*	*13,085*	*58,117*
Bank interest	*1,753*	—	*1,753*
	46,784	*13,085*	*59,870*

3 Promotion and publicity

	General fund £	Restricted and endowment funds £	**Year to 31 August 2024 total £**
Marketing	51,699	—	**51,699**
	51,699	—	**51,699**

	General fund £	Restricted and endowment funds £	Year to 31 August 2023 total £
Marketing	71,903	—	71,903
	71,903	—	71,903

4 Support costs

	General fund £	Restricted and endowment funds £	**Year to 31 August 2024 total £**
Staff costs	624,448	—	**624,448**
Equipment, IT and depreciation	194,964	6,209	**201,173**
Student materials and project expenses	123,536	76,338	**199,874**
Other support costs	190,958	1,985	**192,943**
Governance costs:			
. Legal and professional fees	33,461	—	**33,461**
. Statutory audit services	15,875	—	**15,875**
. Non statutory audit services	11,160	—	**11,160**
	1,194,402	84,532	**1,278,934**

	General fund £	Restricted and endowment funds £	Year to 31 August 2023 total £
Staff costs	640,428	—	640,428
Equipment, IT and depreciation	163,373	—	163,373
Student materials and project expenses	138,495	—	138,495
Other support costs	153,909	2,330	156,239
Governance costs:			
. Legal and professional fees	27,277	—	27,277
. Statutory audit services	17,820	—	17,820
. Non statutory audit services	6,120	—	6,120
	1,147,422	2,330	1,149,752

5 Net expenditure

This is stated after charging:

	General fund £	Restricted and endowment funds £	**Year to 31 August 2024 total £**
Staff costs (note 6)	1,924,223	56,607	**1,980,830**
Auditor's remuneration:			
. Statutory audit services	27,035	—	**27,035**
Depreciation and loss on disposals	55,618	—	**55,618**
Operating lease rentals			
. Land and buildings	370,730	—	**370,730**
. Equipment	71,315	—	**71,315**
Bursaries, scholarships and prizes	50,434	400,593	**451,027**

Bursaries were paid to 77 individuals (2023 – 67) during the year.

5 Net expenditure (continued)

This is stated after charging:

	General fund £	Restricted and endowment funds £	Year to 31 August 2023 total £
Staff costs (note 6)	1,864,854	140,000	2,004,854
Auditor's remuneration:			
. Statutory audit services	17,820	—	17,820
. Non-statutory audit services	6,120	—	6,120
Depreciation and loss on disposals	49,163	—	49,163
Operating lease rentals			
. Land and buildings	364,493	—	364,493
. Equipment	30,226	—	30,226
Bursaries, scholarships and prizes	3,205	340,030	343,235

6 Staff costs and Trustees' remuneration

	Year to 31 August 2024 £	Year to 31 August 2023 £
Staff costs during the year were as follows:		
Salaries	**1,433,489**	1,505,129
Social security costs	**106,939**	122,273
Pension	**65,969**	66,775
	1,606,397	1,694,177
Self-employed tutors	**348,768**	298,767
Other staff costs	**25,665**	11,910
	1,980,830	2,004,854

Staff costs analysed by function were as follows:

	Year to 31 August 2024 £	Year to 31 August 2023 £
Teaching	**1,356,382**	1,364,426
Support, administration and management	**624,448**	640,428
	1,980,830	2,004,854

The average number of employees, all of whom are engaged in the operation of the Art School, analysed by function and on a full time equivalent basis was:

	Year to 31 August 2024 £	Year to 31 August 2023 £
Teaching	**20**	21
Support, administration and management	**13**	14
	33	35

6 **Staff costs and Trustees' remuneration** (continued)

The average number of employees, all of whom are engaged in the operation of the Art School, was 77 (2023: 86) for the year ended 31 August 2024. Many of these are employed on a part-time basis.

The Principal's total remuneration in the year ended 31 August 2024 was as follows:

	2024 £	2023 £
Basic salary	**87,000**	87,000
Pension contribution	**4,350**	3,263
	91,350	90,263

The Board of Trustees Remuneration Committee, chaired by the Vice-Chair of the Board of Trustees, considers the case for annual pay increases. The Principal is line managed by the Chair of the Board and their salary, together with all other salaries, is considered by the Remuneration Committee with proposals made to the full Board. The Principal and Director of Resources & Operations attend to provide information. The Company Secretary is the clerk to the committee. The Principal, Director of Resources & Operations and Company Secretary are not members of the Remuneration Committee, and do not attend when their own salaries are under consideration. The School has given regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

As at 31 August 2024, the Accountable Officer's basic salary was 1.66 times (2023 – 1.66 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for all staff contracted on an annual salary basis. There were no performance related payments made to the Accountable Officer in 2023/24.

No Trustees received any remuneration or other emoluments in respect of their services as a member of the Board during the year (2023 – none). There were no Trustees who were employed by the School part-time in the year ended 31 August 2024 (2023 – 1 trustee paid £8,259 and employer's pension contributions of £413 in respect of that employment). £951 of expenses were reimbursed to one Trustee during the year for art installation services and art materials for the school (2023 – none) and a £1,650 bursary was awarded to one Trustee (2023 – none). The numbers of employees earning greater than £60,000 during the year were as follows:

	2024 No.	2023 No.
£60,001 - £70,000	**—**	1
£80,001 - £90,000	**1**	1
	1	2

Pension contributions in respect of these employees amounted to £4,350 (2023 – £6,272).

The aggregate remuneration, including employer's pension contributions, paid to key management personnel and employer's national insurance, was £388,631 (2023 – £496,920).

6 Staff costs and Trustees' remuneration (continued)

Key management personnel during the year consisted of the Principal, Director of Resources & Operations, four academic Heads of Department, Head of Finance and the Head of Development & External Relations.

The Art School has purchased insurance to protect itself from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium provided cover of up to a maximum of £2 million.

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2023 between restricted, endowment and unrestricted funds:

	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2023 Total funds £
Income and expenditure				
Income and endowments from:				
Art School fees	2,845,816	-	-	**2,845,816**
Donations and legacies	122,575	594,550	-	**717,125**
Investment income and interest receivable	46,784	13,085	-	**59,870**
Other trading activities				
Other trading activities	52,487	-	-	**52,487**
Total income	**3,067,662**	**607,636**	**-**	**3,675,298**
Expenditure on				
Charitable activities				
Costs of operating the School				
Teaching staff and personnel	1,207,582	44,669	112,175	**1,364,426**
Support costs	1,147,422	512	1,818	**1,149,752**
Premises	592,562	27,532	-	**620,094**
Promotions and publicity	71,903	-	-	**71,903**
Bursaries, scholarships and prizes	3,205	324,630	15,400	**343,235**
Total expenditure	**3,022,674**	**397,343**	**129,393**	**3,549,410**
Net income (expenditure) before gain on investments and transfers	**44,988**	**210,293**	**(129,393)**	**125,888**
Net gain(loss) on investments	**-**	**(14,934)**	**(71,685)**	**(86,619)**
STATEMENT OF CHANGES IN RESERVES				
Net (expenditure) / income and net movement in funds	**44,988**	**195,359**	**(201,078)**	**39,269**
Reconciliation of Funds				
Fund balances brought forward at 1 September 2022	31,090	466,593	872,842	**1,370,525**
Fund balances carried forward at 31 August 2023	76,078	661,952	671,764	**1,409,794**

8 Taxation

City and Guilds of London Art School Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Fixtures and fittings £	Website £	Tools and equipment £	New computer equipment £	**Total £**
Cost					
At 1 September 2023	569,049	24,186	235,892	130,075	**959,202**
Additions	—	—	8,285	3,053	**11,338**
At 31 August 2024	569,049	24,186	244,177	133,128	**970,540**
Depreciation					
At 1 September 2023	338,398	24,186	217,458	115,923	**695,965**
Charge for year	41,436	—	7,043	7,139	**55,618**
At 31 August 2024	379,834	24,186	224,501	123,062	**751,583**
Net book values					
At 31 August 2024	189,215	—	19,676	10,066	**218,957**
At 1 September 2023	230,651	—	18,435	14,152	**263,237**

10 Investments

	2024 £	2023 £
Listed investments and cash		
Opening market value at 1 September	**1,507,837**	1,548,301
Additions	**—**	658,865
Disposals	**(148)**	(643,725)
Capitalised investment manager's fees	**2,395**	2,330
Unrealised investment gains (losses)	**111,673**	(57,934)
	1,621,757	1,507,837
Cash held by investment manager	**33,862**	44,056
Total market value of investments at 31 August	**1,655,619**	1,551,893
Cost of listed investments - 31 August	**1,491,655**	1,491,803

Listed investments and cash held at 31 August 2024 comprised the following:

	2024 £	2023 £
Charity Multi Asset Funds	**1,621,757**	1,507,837
Cash held by investment managers	**33,862**	44,056
	1,655,619	1,551,893

All investments were dealt in on a recognised stock exchange.

10 Investments (continued)

At 31 August 2024, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	Market value £
Cazenove Charity Multi Asset Fund S Units GBP Distribution	**29.7**	**482,223**
SUTL Cazenove Charity Responsible	**70.3**	**1,139,535**

At 31 August 2023, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	*Market value £*
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	*16.5*	*256,072*
Cazenove Charity Multi Asset Fund S Units GBP Distribution	*54.5*	*843,823*
SUTL Cazenove Charity Responsible	*29.0*	*448,405*

11 Stocks

	2024 £	2023 £
Materials for resale	**13,296**	15,676

12 Debtors

	2024 £	2023 £
Student fees outstanding	**115,764**	114,877
Other debtors	**13,893**	633
Prepayments and accrued income	**73,352**	148,607
City and Guilds Art School Property Trust	**41,330**	57,405
	244,339	321,522

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Student fees in advance	**1,115,933**	1,324,291
Trade creditors	**67,128**	25,504
Taxation and social security	**30,873**	35,516
Other creditors	**88,650**	99,095
CBIL Loan	**41,666**	41,667
Accruals and other deferred income	**150,441**	155,355
	1,494,691	1,681,428

14 Creditors: amounts falling due after one year

	2024 £	2023 £
CBIL Loan – payable between two and five years	**55,556**	97,222
	55,556	97,222

The loan is unsecured and the interest rate attached to the loan is based on a floating rate, and will be less than 2.9905% per annum.

15 Endowment funds

The capital funds of the Art School include permanent endowments and expendable endowments. The permanent endowments are comprised of monies which must be retained as capital indefinitely. The expendable endowments are comprised of monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

	At 1 September 2023 £	Income £	Expenditure £	Gains, losses and transfers £	**At 31 August 2024 £**
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	155,292	—	(413)	19,694	**174,573**
	155,292	—	(413)	19,694	**174,573**
Expendable endowments					
Margaret Ballardie bequest	161,671	—	(30,584)	27,803	**158,890**
Idun Ravndal Memorial Legacy	203,147	60,173	(14,932)	22,143	**270,531**
Other endowments	151,654	—	(326)	15,539	**166,867**
	516,472	60,173	(45,842)	65,485	**596,288**
Total endowments	671,764	60,173	(46,255)	85,179	**770,861**

The income from the endowment funds is included in unrestricted general funds.

	At 1 September 2022 £	*Income £*	*Expenditure £*	*Gains, losses and transfers £*	*At 31 August 2023 £*
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	*170,006*	—	*(754)*	*(13,960)*	*155,292*
	170,006	—	*(754)*	*(13,960)*	*155,292*
Expendable endowments					
Margaret Ballardie bequest	*298,357*	—	*(112,175)*	*(24,511)*	*161,671*
Idun Ravndal Memorial Legacy	*237,665*	—	*(15,000)*	*(19,517)*	*203,147*
Other endowments	*166,814*	—	*(1,464)*	*(13,696)*	*151,654*
	702,836	—	*(16,464)*	*(57,724)*	*516,472*
Total endowments	*872,842*	—	*(17,218)*	*(71,685)*	*671,764*

16 Restricted funds

The income funds of the Art School include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance at 1 September 2023 £	Income from invest-ments £	Donations £	Expenditure £	Realised/ unrealised gains on investments & Transfers £	**Balance at 31 August 2024 £**
Annual Bursaries Fund	296,232	-	490,184	(472,298)	85,026	**399,146**
Saul Bursary Fund	41,046	3,146	-	(109)	5,095	**49,178**
Charles Noble/Peter Chance Scholarship Fu	26,512	2,031	-	(71)	3,290	**31,762**
Rodney Burn RA Scholarship Fund	43,568	3,338	-	(116)	5,407	**52,197**
Simon Birch Memorial Bursary Fund	82,242	4,378	-	(170)	7,902	**94,352**
Edith and Stephen Burnett Memorial Fund	4,074	314	-	(11)	508	**4,885**
David Ballardie Memorial Award Fund	35,926	2,755	-	(1,096)	4,462	**42,047**
Idun Ravndal Travel Award	675	51	-	(2)	83	**807**
Other prize and special funds	23,017	948	10,900	(17,183)	1,535	**19,217**
Recovery Appeal	51,457	-	-	(6,209)	-	**45,248**
Books and Paper Conservation Project	57,201	-	-	-	(57,201)	**-**
	661,952	16,961	501,084	(497,265)	56,107	**738,839**

Funds related to bursaries are now included in the top line "Annual Bursaries Fund".

The specific purposes for which the funds are to be applied are given by their descriptions in the table above. The main purposes are the awarding of scholarships, bursaries and prizes.

	Balance at 1 September 2022 £	*Income from invest-ments £*	*Donations £*	*Expenditure £*	*Realised/ unrealised gains on investments £*	*Balance at 31 August 2023 £*
Annual Bursaries Fund	*128,354*	*—*	*523,474*	*(355,596)*	*—*	*296,232*
Saul Bursary Fund	*42,428*	*2,185*	*—*	*(88)*	*(3,477)*	*41,048*
Charles Noble/Peter Chance Scholarship Fu	*27,406*	*1,413*	*—*	*(57)*	*(2,250)*	*26,512*
Rodney Burn RA Scholarship Fund	*45,034*	*2,318*	*—*	*(94)*	*(3,690)*	*43,568*
Simon Birch Memorial Bursary Fund	*79,222*	*4,578*	*—*	*(168)*	*(1,392)*	*82,240*
Edith and Stephen Burnett Memorial Fund	*4,208*	*214*	*—*	*(9)*	*(341)*	*4,073*
David Ballardie Memorial Award Fund	*38,516*	*1,981*	*—*	*(1,417)*	*(3,153)*	*35,927*
Idun Ravndal Travel Award	*934*	*48*	*—*	*(230)*	*(77)*	*675*
Other prize and special funds	*15,462*	*348*	*14,876*	*(7,116)*	*(553)*	*23,017*
Recovery Appeal	*—*	*—*	*56,200*	*(4,743)*	*—*	*51,457*
Books and Paper Conservation Project	*85,028*	*—*	*—*	*(27,825)*	*—*	*57,201*
	466,593	*13,086*	*594,550*	*(397,343)*	*(14,934)*	*661,952*

17 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	**Total 2024 £**
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	173,709	45,248	-	**218,957**
Investments	600,267	284,491	770,861	**1,655,619**
Current assets	833,120	410,201	-	**1,243,321**
Creditors: amounts falling due within one year	(1,493,590)	(1,101)	-	**(1,494,691)**
Creditors: amounts falling due after one year	(55,556)		-	**(55,556)**
Total net assets	**57,950**	**738,839**	**770,861**	**1,567,650**

	General fund £	*Restricted funds £*	*Endowment funds £*	*Total 2023 £*
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	*211,934*	*51,303*	*—*	*263,237*
Investments	*633,582*	*246,547*	*671,764*	*1,551,893*
Current assets	*957,334*	*415,980*	*—*	*1,373,314*
Creditors: amounts falling due within one year	*(1,629,550)*	*(51,878)*	*—*	*(1,681,428)*
Creditors: amounts falling due after one year	*(97,222)*	*—*	*—*	*(97,222)*
Total net assets	*76,078*	*661,952*	*671,764*	*1,409,794*

The total unrealised gains as at 31 August 2024 constitute movement on revaluation and are as follows:

	2024 £	2023 £
Unrealised (losses) gains included above		
On listed investments as at 31 August 2024	**111,673**	(57,934)
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2023	**18,430**	76,364
Unrealised gains (losses) on listed investments arising in the year	**111,673**	(57,934)
Total unrealised gains at 31 August 2024	**130,103**	18,430

18 Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Art School being wound up members are required to contribute an amount not exceeding £1 each.

19 Leasing commitments

Operating leases

At 31 August 2024 the Art School had the following commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2024	2023	**2024**	2023
	£	£	**£**	£
Operating leases which expire:				
Within one year	**372,485**	367,785	**65,558**	31,101
Between two and five years	**1,190,882**	1,512,647	**218,527**	—
Over five years	**899,839**	890,823	**—**	—
	2,463,207	2,771,255	**284,085**	31,101

The land and buildings operating leases relate to the site at Kennington Park Road and the sub-lease of premises in the Old Vauxhall Telephone Exchange in nearby Kennings Way from the Property Trust for the period up to the first break clause. The previous lease for the latter expired in late September 2022 and Heads of Terms for a new lease from the date of that expiry were agreed at an increased rental which was duly accounted for in 2023/24.

20 Related party transactions

The City and Guilds Art School Property Trust has senior management in common with the Art School. The Art School charged a management fee of £53,737 (2023 – £57,405) to the Property Trust during the year. The Property Trust charged the Art School rent, including VAT, of £369,088 (2023 – £364,493). The balance owed to the School by the Property Trust at the end of August 2024 was £41,330. No grants were received from the Property Trust in respect of the year (2023 – £nil).

21 Post balance sheet events

There were no post balance sheet events to consider.

CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales - Charity number 1144708

Accounts

City&Guilds of London Art School

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2023

COMPANY LIMITED BY GUARANTEE
REGISTRATION NUMBER
07817519
(ENGLAND AND WALES)

CHARITY REGISTRATION NUMBER
1144708

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Reference and administrative information

Trustees

Trustees in post as at January 2024; see Statement of Corporate Governance for details of Trustees serving during the course of 2022-23

Jamie Bill (Chair)
Andrew Allen KC
Laurence Benson (Vice-Chair)
Dr Virginia Brooke
Dr Caroline Campbell
Edward Campbell-Johnston
Paul Farmiloe
Martin Hatfull
James Kelly
Tabish Khan
Michael Osbaldeston
Dr Michael Paraskos
Prof Jane Rapley OBE
Prof Elizabeth Rouse OBE
Dr Lois Rowe
Alexander Stitt
Helen Sunderland-Cohen

Company Secretary

Harriet Lam

Senior Management Team

Principal	Dr Lois Rowe
Director of Resources & Operations	Nick Rampley
Head of Carving	Tom Young
Head of Art Histories	Tom Groves
Head of Fine Art	Robin Mason
Head of Foundation	Keith Price
Head of Conservation	Dr Marina Sokhan
Head of Access to Learning	Dr Matthew Rowe
Head of Development & External Relations	Hannah Travers

Reference and administrative information

Registered and principal office	124 Kennington Park Road London SE11 4DJ
Telephone	020 7735 2306
Website	www.cityandguildsartschool.ac.uk
Email	office@cityandguildsartschool.ac.uk
Company registration number	07817519 (England and Wales)
Charity registration number	1144708
UKPRN	10039082
Bankers	Barclays Bank plc Southwark Branch 29 Borough High Street London SE1 1LY
Investment Managers	Cazenove Capital Management Limited 1 London Wall Place London EC2Y 5AU
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Introduction

The Board of Trustees ("the Board") of City and Guilds of London Art School Limited ("the Art School" or "the Charity" or "the charitable company") presents its annual report and the audited financial statements for the year ended 31 August 2023.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and comply with the Office for Students' Accounts Direction.

Constitution

The Art School is a charitable company, limited by guarantee, not having a share capital. The Art School's governance is determined by its Articles of Association, dated 22 May 2019. As set out in the Articles the Directors of the Art School form the Art School Board of Trustees. To assist in exercising their duties, the Board has a number of Committees, which are detailed and governed by the Art School's "How We Work: Governance and Management Handbook".

The Charity was incorporated on 20 October 2011 to continue the educational activities that were transferred from City and Guilds Art School Property Trust ("the Property Trust") on 31 March 2012 as part of a business transfer agreement.

The Art School is a Higher Education Provider registered with the Office for Students in its Approved Category.

Principal aims and activities

Founded in 1879, and with a history dating back to 1854, the Art School is one of the UK's oldest art educational institutions specialising in art, craft and conservation. Its original mission was to provide quality instruction in applied art and design for local people. This broadened over time and since World War II has encompassed restoration and conservation to assist, initially, with the effort to repair London's monuments and heritage. Through this, it developed a strong reputation for excellence in both art and craft.

The Art School's mission today is to nurture individual talent by providing an immersive learning environment with an emphasis on the dialogue between the eye, the hand and the material, informed by the study and analysis of historical and contemporary art and craft. This is delivered through a number of specialist courses including undergraduate and postgraduate courses in Fine Art, Carving (architectural stone and ornamental wood carving and gilding), Conservation of cultural artefacts (with a focus on three-dimensional objects, gilded and other decorative surfaces, and books and paper), as well as a Foundation Diploma in Art & Design. This activity is consistent with the objects contained within the Art School's Articles of Association.

The Art School sets out to educate artists, craftspeople and conservators who will go on to make a significant contribution in their fields, through the pursuit of excellence in traditional skills as well as through creative innovation and enterprise and a commitment to offering students a high level of contact time working with some of the country's leading specialist practitioners.

Convinced of the social value and necessity of its subjects, not only for the creative and heritage sectors, but for society at large, the Art School champions the roles that art and craft play by engaging in national and international collaborations and through public facing events.

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects and motivating students to be inquisitive and resourceful, equipping them to go on learning through practice for the rest of their lives.

Activities and achievements

In September 2022, the Art School was delighted to welcome Dr Lois Rowe as its new Principal of the Art School, as Tamiko O'Brien stepped down from the role. Lois took up the post in time to welcome students at the start of the new academic year. Lois joined the Art School following a successful career in Higher Education at the University of the Arts London (UAL), where she had been Programme Director Fine Art and the Lead of Knowledge Exchange for Fine Art at Camberwell College of Arts and Wimbledon College of Arts.

STUDENT NUMBERS AND ACADEMIC ACHIEVEMENTS

The number of students enrolled at the beginning of the 2022/23 academic year totalled 293 (271 in 2021/22).

Foundation Studies 95 students (85 in 2021/22) successfully completed their year of study and were awarded a Foundation Diploma in Art & Design from UAL Awarding Body (20 with Distinction), with many able to secure a place on the university course of their choice.

Fine Art 22 students (20 in 2021/22) were awarded BA (Hons) degrees in Fine Art; 12 Firsts and 10 Upper Seconds. 1 student was awarded a BA ordinary degree. 2 Students were awarded a Graduate Diploma (both with Distinction). 1 student was awarded a Certificate of Higher Education. 23 students (21 in 2021/22) were awarded MA Fine Art degrees; 13 with Distinction; 10 with Merit.

Conservation 11 students (4 in 2021/22) were awarded BA (Hons) Conservation Studies; 3 Firsts, 6 Upper Seconds, 1 Lower Second, and 1 Third. 3 students were awarded a Graduate Diploma (2 with Distinction). 1 Student was awarded a Certificate of Higher Education. 1 student was awarded MA Conservation Studies (with Distinction).

Carving 12 students (3 in 2021/22) were awarded BA (Hons) Carving; 4 Firsts, 5 Upper Seconds, 2 Lower seconds and 1 Third. 1 student was awarded a BA ordinary degree. 6 students were awarded a Graduate Diploma (1 with Distinction). 1 student was awarded a Diploma of Higher Education.

Art and Material Histories 3 students (5 in 2021/22) were awarded MA Art and Material Histories; 2 with Distinction, 1 with Merit.

ACADEMIC PORTFOLIO DEVELOPMENTS

This was the third year, and the first in which students graduated, for the subject area of Conservation of Books and Paper following the successful validation of the new awards and fundraising for new specialist facilities in 2019/20. The third year of the course successfully recruited, and additional experts joined the department to deliver this important specialism, securing important skills and knowledge for the UK's heritage sector.

As part of the Royal Literary Fund Fellowship Scheme, the Art School continued to host a professional writer for two days each week during term time. The Writing Fellow offered individual appointments where students could discuss all aspects of their writing, such as structuring an argument, making essays clearer and improving style.

The Art School was delighted to take part in London Craft Week 2023, hosting a two-day event that presented specialist craft and hand skills to local school groups and the general public, and celebrated craftsmanship and creativity. The activities included exhibitions, conservation demonstrations from students and tutors, and print-making workshops in our historic etching room. Our annual two-day carving competition celebrated the life and work of Sir Christopher Wren in the tercentenary year of his death, and was judged by alumni and professional carvers Marcia Bennett-Male and Will Davies. During London Craft Week, the Art School hosted the Lettering Arts Trust's exhibition of work by graduates who have gone on to refine the skill of letter cutting via Fellowship schemes.

Extending our outreach activities and increasing engagement in the local community is a key component of our 2022-27 Strategic Plan. Following successful fundraising, in October 2022 the Art School launched its first Saturday Club for local 13-16 year-olds, in conjunction with the National Saturday Club under its Craft&Making programme. Participants were given the opportunity to learn and use traditional skills to make a series of hand-crafted artworks with a contemporary twist. The programme culminated in the National Saturday Club Summer Show, which took place at Somerset House in July, where participants exhibited their project outcomes.

In 2022/23 funding was secured and planning began for a new project, 'Tutors into Schools', which will build on our existing work with young people. This initiative will see Art School tutors, alumni and students going into the classrooms of local secondary schools to provide bespoke workshops in our specialisms. It will support art, design & craft teachers and curriculums, and engage over 1000 young people in the possible creative pathways for their next educational and career steps. This will give the learners opportunity to directly experience the skills taught on our courses, from their own classroom.

Following its past success, our Summer School programme, which delivers short courses in our specialisms, was significantly expanded for 2023. In addition, seed funding from the Fishmongers' Company also allowed the Art School to research and plan a new Evening Course Adult Learning programme to launch in October 2023 in partnership with Imperial College London.

MA Show 2022

Foundation Show Prize Winners 2023

Degree Show Ceremony 2023

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES

The 2022 MA Show in September featured artworks from over 30 exhibitors in a celebration of the outstanding work of our postgraduate Fine Art, Art and Material Histories and Conservation students, as well as current work from our Co-Chairs of Students and Fellows. Concurrently, the Art School took part in Lambeth Heritage Festival. Nick Rampley, Director of Resources & Operations, gave a public talk as part of the Festival programming entitled '"Seven turkeys, five sucking pigs, and three miniatures" – A History of Lambeth's own Art School, City and Guilds of London Art School'.

In May 2023, the Art School held its annual Foundation Show, which celebrated the work of our 2023 graduates studying on the Foundation Diploma in Art & Design. During their year of exploration, our students had interrogated and extended their art practice, creating an impressive body of work displayed in the Show.

At the end of June 2023, our final year undergraduate students celebrated their graduation from the Art School at our annual Degree Show Ceremony and Prize Giving. The show exhibited the work of our graduands from our undergraduate Fine Art, Conservation and Carving courses. 24 prizes were awarded to those graduating, and 11 prizes were awarded to continuing students from across our courses. 6 of those prizes went towards international study and research trips, others included recognition of drawing and printmaking skills.

The Venice Trip for second year Carving and Conservation students returned for the first time since 2019, and took place in late October 2022. 20 students attended this year's trip, during which they engaged directly with Venice's art and architecture under the guidance and expertise of their tutors over five days.

In November 2022, we were pleased to welcome History of Art students from The Courtauld Institute of Art to our historic Print Room to spend time with our printmaking tutors to learn traditional etching techniques.

In January 2023, a new student-led series of weekly Skill Share Workshops launched. This was an opportunity for students from all disciplines to come together to share specialist skills with one another, including Paper Marbling, Bookbinding and Crochet.

The Art School was included as an example of good practice in the European Training Foundation (ETF)'s policy briefing on crafts, titled: "The future is in our hands: Recognising emerging skills needs in the craft sector in the EU Neighbourhood and Central Asia". It explored the current key forces of change in the crafts sector, and the emerging skills that require support in order to facilitate these new trends.

BA (Hons) Carving students on the annual Paris Study Trip

Over thirty BA Carving and BA Conservation Students went to Paris in February for the annual first year Study Trip. From behind-the-scenes studio visits to seeing Versailles, libraries and cathedrals, our students were able to see a huge amount across the 5-day trip, which was generously subsidised by the Stuart Heath Charitable Settlement.

In March 2023, in partnership with University of the Arts London and OCAD University, we were delighted to launch a two-part international online research practice event, 'Come Together, Right Now', that aimed to form a new online community of artists.

We were proud to be a training provider / support organisation for a number of craft skills featured on the 2023 Red List of Endangered Crafts, which was published in May 2023. The Art School is dedicated to passing on specialist craft skills to new generations of artists and makers through our undergraduate, postgraduate, foundation and short course programmes.

The Art School took part in Southwark Cathedral's Mudlarking and Heritage Craft Day in July 2023. Over 2000 people came through the event, which celebrated the crafts used to build London. Attendees had the opportunity to get hands on with traditional skills, many of which were shown by Art School staff, students and alumni.

In March 2023, the Art School was invited to present at a seminar co-hosted by Heritage Crafts and Derby Museums: 'Craft Skills for the Future – Inspiring the next generation'. Camilla Robinson, Widening Participation Co-ordinator, represented the Art School and shared insight on the impact of the National Saturday Club programme, both on a national level and at the Art School.

The Art School hosted an exhibition stand at the Kennington Park Festival in July with demonstrations from BA Carving: Woodcarving and Gilding graduates.

Conservation

- The Conservation department's longstanding partnership with Rochester Cathedral continued in 2022/23 with BA (Hons) Conservation: Stone, Wood & Decorative Surfaces students involved in the cleaning of the Lapidarium's collection.
- In December Conservation student Justyna Medon was announced as a QEST Scholar, with funding support towards her studies and final project to conserve a Tabula Stritta comprised of lithographs of Napoleon Bonaparte, the Duke Wellington and Empress Eugenia.
- MA Conservation student Charlotte Jones began work on an English carved 'mecca' silver gilded picture frame, from c.1660, loaned by the Thomas Plume Library.

BA (Hons) Conservation: Stone Wood & Decorative Surfaces students Savannah Grieve and Ally Wingate-Saul working at Tsurumi University

Gilding Tutor and Art School alumna Rian Kanduth named as a finalist in the 2023 Heritage Crafts Awards

BA (Hons) Conservation: Books & Paper students learning about leather conservation a day trip to Northamptonshire

- In January 2022, the Art School Conservation studios hosted The Institute of Conservation for their 3-day practical workshop on leather conservation.
- For the stone module of the second year of BA Conservation: Stone, Wood and Decorative Surfaces, students were assigned a commemorative marble tablet that had been stored in the crypt at Kensal Green Cemetery, one of the "Magnificent Seven" cemeteries that opened within London in the 1830's and 1840's. Students assessed, proposed a treatment and carried out conservation work.
- In February 2022, second year BA (Hons) Conservation: Books & Paper students went on a day trip to Northamptonshire to visit three sites to learn about leather conservation: Harmatan Leather, a specialised tannery, the Leather Conservation Centre and the Museum of Leathercraft, where they were privileged to be given a private tour of the premises, and look at rare collectibles.
- Gilding Tutor and Art School alumna Rian Kanduth was named as a finalist in the 2023 Heritage Crafts Awards in the category 'Heritage Crafts/Marsh Trainer of the Year'. The Art School nominated Rian in recognition of her expert teaching of gilding and lacquer techniques at the Art School, many of which are endangered.
- BA and MA Conservation: Books and Paper students visited Christie's Auction House for a private view of a display of rarely seen maps and atlases from the Sunderland Collection.
- The Britain-Australia Society Education Trust (BASET) and the Art School came together again to offer financial support to a talented and deserving person with a passion for conservation. The Endeavour Award is open to an Australian national to study on the Art School's 3-year BA Conservation: Stone, Wood & Decorative Surfaces or BA Conservation: Books & Paper courses.
- Two third year BA (Hons) Conservation: Stone, Wood & Decorative Surfaces students took part in a three-week Urushi Internship over their summer break at Tsurumi University in Yokohama, Japan.
- Over the Summer of 2023, students went on a variety of work placements including to Lambeth Palace Library, the Wellcome Collection, The Museum of English Rural Life, Greens Books and the British Museum.

BA (Hons) Carving: Woodcarving and Gilding student Joanne Grogan announced as a QEST Scholar

BA (Hons) Carving: Woodcarving and Gilding student Max Reynolds working on the cassone for Knole

Tom Young appointed as the new Head of Carving

Carving

- Third Year BA Carving: Woodcarving & Gilding student Tom Buchanan and Postgraduate Diploma student Simon Whitworth were commissioned by the Fishmongers' Company to carve new Coats of Arms for the Hall for recent Past Masters.
- The second year of a collaborative project with Knole, a National Trust Property in Kent, began for BA (Hons) Woodcarving and Gilding student Max Reynolds to carve a reproduction of a 16th century Cassone for the collection.
- The Department's partnership with workwear brand Carhartt Europe continued in 2022/23, with all new students provided with aprons and third year Tom Buchanan becoming the CGLAS x Carhartt Ambassador.
- In December BA Woodcarving & Gilding student Joanne Grogan was announced as a QEST Scholar, with funding support towards her studies.
- BA Carving student Elizabeth Allen won the Art School-wide annual Fishmongers' Company Menu Design Prize. Her design will be used by the Company throughout the rest of the year at their events.
- BA Woodcarving & Gilding student Joanne Grogan was featured in the March edition of Country Life magazine, photographed in her workshop at the Art School in the process of completing her final year project, Rocialle Morphosis, an ornate carved frame.
- Students Judith Letchford (GradDip Arts: Carving) won first place, and Joanne Grogan (BA Hons: Woodcarving and Gilding) won second place at the Worshipful Company of Joiners & Ceilers' annual national woodcarving competition.
- In Summer 2023 the Art School appointed Tom Young as its new Head of Carving. Tom has over 20 years extensive experience as a lettering designer and carver, and has run his own business alongside developing his teaching practice. Having taught Lettering at the Art School since 2006, he has held the position of Senior Lettering tutor since 2014. Professionally, he has worked with organisations such as the Fishmongers' Company, the Olympic Park, Old Royal Navy College Greenwich, Eton College and many others.
- Two Carving students, Kate Holmes (first year BA (Hons) Carving: Architectural Stone) and Henry Brown (second year BA (Hons) Carving: Woodcarving and Gilding) had their work accepted for the 30th anniversary exhibition of the British Art Medal Society Student Medal Project.

MA Fine Art graduate Simon Bejer - recipient of the CGLAS Painter-Stainers Decorative Surfaces Fellowship 2022/23

Sweet but sickly

Sophie Lloyd's sugar-glass sculptures are a fairground-like critique of consumer culture and how it harms us. By ELLEN WILKINSON

Sophie Lloyd is recalling a childhood memory of a family picnic. "We're on a beach and I hear this strange sound. A seagull has stolen my brother's sausage roll, is eating it whole and choking." The image of a bird trying to eat too much is one that continues to resonant for an artist whose work deals with "things we consume and how they consume us".

Humans and animals with gaping mouths populate Lloyd's work, which is made of sugar, icing, isomalt (an engineered sugar that doesn't caramelise when melted), fondant icing, vinegar, glucose, food colouring and lead. The sculptures resemble figures from fairground games, waiting for balls to be thrown through their mouths, and she describes her cast sugar technique as a "shoddy facade" of stained glass. Each figure is flatly three dimensional: viewed from the side they almost disappear.

Among the numerous characters we meet is a chef with red-rimmed eyes and dark bags dragging down his face, like he's done too many double shifts in a windowless kitchen. There's a clown with lank black hair as if he's just removed a sweaty wig, and cheeks and ears that match the colour of his round, red nose. There are pairs: a horse and jockey, an adult and a baby wearing bibs, and a kissing couple, mouths united into one hole.

caricatures based on people I see in media and entertainment, but there's also an element of self-portraiture," Lloyd explains. "It's an algorithmic self rather than a real self. Some figures are taken from emojis." Lloyd is a self-confessed telly addict and in part her work refers to overconsumption of social media and TV, and how we are lured in "despite knowing its harmful, addictive effects and false promises". The work references another form of excess: Renaissance sugar sculptures that were created as elaborate table centrepieces. "They were displays of wealth, not to be eaten. If you tried you'd crack your teeth."

Acts of gluttony frequently appear in Lloyd's work: a contorted woman eats her own leg, and three chicks wait with open beaks for a parent to return and regurgitate something slimy down their gullets. Working from her kitchen through lockdown during her first year, she made a sculptural cake and, inspired by seeing Bake Off contestants creating sugar windows, began experimenting with sugar stained glass. "I love the sickly sweetness of sugar. It's delicious but en masse it's disgusting. Stained glass lead is a poisonous material. Paired with sugar it becomes mischievous."

Lloyd's work is considerably shorter-lived than the stained glass you might come across in a medieval church, and she'll be keeping an eye on the weather forecast in the lead up to her degree show. "The sculptures are fussy. They complain if it's too hot or humid. I'm not sure exactly how they'll look at my show; if it's a heatwave I'll have a lot of puddles." Many artists would be anxious about the possibility of their whole degree show melting. Lloyd, however, embraces this instability and the effects it produces: cracked, distorted faces, changes in texture and colour. "It's about letting the sugar do its thing. I might have fresh sculptures in the show that I've poured the night before the opening, alongside ones that have been affected by conditions."

Whatever physical state the figures are in, they will be displayed on a long banqueting-style table. There's another façade here, as it will be held up by wallpaper table supports – "cheapskate looking" as Lloyd puts it. Each figure will have its own space in the crowd, and she compares this effect to Instagram. "I want them to have their individual moment but there's a uniformity; they're all conforming to the game they're participating in. As you walk around them, they're individual but blurring into one."

Are Lloyd's characters willing participants in this game? "I think they maybe were once. Consumers are manipulated but somewhat willing participants. Some of my figures might be undergoing an awakening. They have half open eyes like they've been woken from a deep sleep. I think they're self aware and maybe questioning their willingness."

Degree show: 24-30 June (PV 23), City & Guilds of London

BA (Hons) Fine Art student Sophie Lloyd's interview in the a-n Degree Shows Guide

BA (Hons) Fine Art student Eddie Jones, one of the winners of the 2023 Freelands Painting Prize

Fine Art

- Professor Norman Ackroyd CBE RA ARCA was presented with an Honorary Fellowship of the Art School in September 2022, in recognition of his tremendous work redesigning the Art School's Print Room, and for his advisory role spanning over 27 years, establishing the Print Room as a thriving centre for teaching and practice.
- The Art School launched a new Fellowship for a contemporary Glass Artist in 2022/23. The Fellow works within the Glass Studio testing out the possibilities of the facility and supporting student projects.
- In November, alumni, students, tutors and fellows exhibited work at the 2022 Woolwich Contemporary Print Fair. The Art School's annual prize awarded to an external printmaker exhibiting at the fair was given to Nina Gross, providing 3 days in the Art School Print Room working alongside tutors, fellows and students. The Art School Print Room 2020 Boxset was on show and available to buy, with all proceeds going to the Ukraine Humanitarian Appeal.
- At the mid-point of the course, MA Fine Art and Art & Material Histories students produce an interim show at the Art School for the community of students and staff to present their work in an exhibition format.
- A new gift from the Anthony Caro Centre was announced to support 2 new initiatives to assist Fine Art students with a focus on sculpture: The Anthony Caro Sculpture Prize, to be awarded to a graduating third year BA Fine Art student, and The Anthony Caro Sculpture Bursary, to be allocated towards tuition fees for an MA Fine Art student.
- New grant support was secured to expand the Art School's bursary programme. The Bloomfield Bursaries will offer a BA Fine Art Student and an MA Fine Art student funding for full home fees, plus a stipend towards living costs and materials.
- MA Fine Art student Camilla Dilshat was in a four-person exhibition titled "What Do We Become" at the Barbican Centre as part of their Young Creatives programme and spoke to themes of identity, home and belonging.
- Final year BA Fine Art student Eddie Jones was nominated for the Freelands Painting Prize 2023 and was selected as one of the winners. Art Schools from across the UK are invited to nominate a painting student, submissions are then reviewed anonymously by a jury of artists, curators, gallerists & writers. The Art School is the only art school to have had a winner every year since the Prize was founded in 2017.
- BA Fine Art students Sophie Lloyd and Savannah du Quercy were featured in this year's The Artists Information Co. Degree Shows Guide.

- The CGLAS Painter-Stainers Decorative Surfaces Fellowship for 2022/23 was awarded to MA Fine Art graduate Simon Bejer. The fellowship focuses on historic techniques such as gilding, fresco painting, trompe l'oeil and scagliola and provides specialist training in traditional processes with professional mentoring from the Painter-Stainers.
- BA Fine Art Year 1 and 2 students self-organised an offsite interim show of their work at Fabrix, Hymes Mews in Camden Town as part of their professional practice training.
- 5 alumni and one student have been selected for the prestigious New Contemporaries touring show 2023. New Contemporaries has held a vital role in the UK's contemporary art scene, showcasing emerging artists, some of whom have become the most internationally renowned artists of recent history.
- In February 2023, second year BA Fine Art students Orla Carolin and Jasper Lindsay took part in the Volunteering UK Diamond Anniversary event, which celebrated volunteers nationally. On the night of the fundraiser, a canvas measuring 170 x 185 cm was worked on by both artists, and a smaller work was selected for auction.

Bursaries, scholarships, prizes and other support

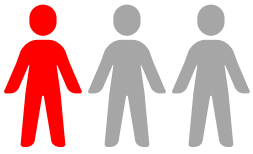
The continued generosity of the Art School's many benefactors enabled fee bursary awards of £258,486 (£274,311 for the previous 12 months). Contributions made by way of direct applications for support by students amounted to an additional £23,684 for the academic year (£31,155 in the previous year). In the course of the 12 months to 31 August 2023, fee bursaries were given to a total of 67 students (61 in the previous year), representing more than 1 in 3 students on the Art School's undergraduate and postgraduate courses towards which bursary and scholarship support is primarily directed. New pledges for coming years have also been secured. Trustees continue to regard increasing the amount of bursary and scholarship funding available for students as a priority.

In addition, donations from benefactors funded the many prizes the Art School is able to award to its students and significant support was given to enable its outreach projects and capital improvements.

£258,486

in fee bursary awards

significant support continued to enable our outreach projects



more than 1 in 3 students with bursary and scholarship support

+9.8%

increase in number of students receiving fee bursaries

The Art School would like to thank the following whose support during the year has ensured the continuation and development of its educational activities:

AKO Foundation
Anna Plowden Trust
Anthony Caro Centre
Artists' Collecting Society
Arts Society (National)
Barbara Whatmore Charitable Trust
Baton Fine Art Prize
Behrens Foundation
Brinsley Ford Charitable Trust
CGLAS Board of Trustees
Charlotte Bonham-Carter Charitable Trust
City & Guilds Foundation
City and Guilds of London Institute
Colart
De Laszlo Foundation
Derek Hill Foundation
Dick Onians
D'Oyly Carte Charitable Trust
Drake Trust
Florian Kirchertz
Graham and Christine Benson
Harriet Anstruther
Headley Trust
Historic Houses Foundation
Hiver Beer (in kind)
Honourable Society of Knights of the Round Table
Idun Ravndal Memorial Legacy Fund
Jack Lander Foundation
Joseph Holzer
Leche Trust
Leverhulme Trust
Master Carvers Association
Nina Lobanov-Rostovsky
Norman Ackroyd CBE RA
Prue McLeod
Queen Elizabeth Scholarship Trust
Radcliffe Trust
Richard Broyd CBE
Roger de Grey Memorial Fund
Royal Female School of Art Foundation
Royal Literary Fund (in kind)
Sandy & Zorica Glen Charitable Settlement
Sir Denis Mahon Foundation
South Square Trust
Stanley Picker Trust
Stuart Heath Charitable Settlement
Surveyors' Club Charitable Trust
Swire Charitable Trust
Taylor Pearce Ltd
University of the Arts London
Vandervell Foundation
Venice in Peril
Worshipful Company of Builders Merchants
Worshipful Company of Carpenters/
Norton Folgate Charitable Trust
Worshipful Company of Drapers
Worshipful Company of Dyers
Worshipful Company of Fishmongers
Worshipful Company of Grocers
Worshipful Company of Joiners and Ceilers
Worshipful Company of Masons - Craft Fund
Worshipful Company of Painter Stainers
Worshipful Company of Skinners

Governance, structure and management

REVIEW

The current year saw further consolidation of the membership of the Board of Trustees: following an analysis of skills needs a recruitment exercise was undertaken and three new Trustees were appointed from the beginning of the year together with the appointment of the new Principal and ex officio Trustee, the retirement of the staff trustee on reaching the end of her term of office and the appointment of her successor and the retirement of the Board's student representative, whose appointment as Chair of Students expires on an annual basis.

Following the resolution of the Board at the end of the previous year to commission a Governance Review to inform its proceedings and meet the recommendations of the Office for Students, the Review was undertaken by an independent third party in Spring 2023; its helpful recommendations were accepted unreservedly and have since been implemented.

ORGANISATION

The Trustees are directors of the company for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of Charity legislation.

The Board is the policy-making body of the Art School. It is assisted by the Secretary, who is appointed by the Board. The Board also operates through a number of committees, including: Audit & Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee.

Though the Board retains responsibility for the assurance of institutional quality and standards, the control of academic matters, including the structures, processes and regulatory frameworks through which academic matters are decided and overseen, resides with academic staff. Academic authority is exercised through the Academic Board, advised and supported by professional/ administrative colleagues and with the involvement of students. The Academic Board is chaired by the Principal and operates under delegated authority from the Board. It is supported by the various Boards of Studies for each of the Academic Departments. The Site & Environment Sub-Committee, established in October 2019, also reports to the Trustees through the Audit & Risk Committee.

KEY MANAGEMENT PERSONNEL

The Principal of the Art School, who is ex officio Trustee, is charged with carrying out the policies agreed with the Trustees and with managing the Art School's academic activities and directing and running the organisation on a day-to-day basis. She is assisted in this by the Director of Resources & Operations and by the Heads of Department for each of: Access to Learning; Art Histories; Conservation; Fine Art; Foundation; and Carving; who, along with the Head of Finance and Head of Development & External Relations, form the Senior Management Team.

In addition, there are functional heads responsible for supervising certain key shared facilities such as the Site Manager, Librarian, Drawing Studio Manager and Print Room Manager.

The remuneration of key management personnel as well as the overall scheme for all staff is set and approved by the Trustees through the Remuneration Committee. Remuneration is reviewed annually, paying due regard to market rates and sector benchmarks.

PERSONNEL

In line with the Art School's policy whereby students are largely taught by practising professionals, specialist tutors are engaged on an annual or term-by-term basis for a specified number of days. In this way, students are exposed to a wide variety of specialist skills, creative models and critical opinions, whilst continuity of academic progress is ensured by the Heads of Department. The Art School's non-academic activities (including administration, finance and development) are run by a small administrative team reporting to the Head of Resources & Operations.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Art School is exposed. In particular, these relate to: academic standards and reputation; student recruitment and financial sustainability; and compliance with statutory and regulatory requirements, in particular those relating to: Office for Students Registration; Course validation and designation; Home Office Student Visa Sponsorship Duties; General Data Protection Regulations; and Health & Safety.

All areas of risk are monitored through the Art School's governance structure which identifies the lines of responsibility and decision making for each aspect of the Art School's operation, with the Audit & Risk Committee responsible for reviewing Risk Registers and reporting to the Board.

The Trustees and Senior Management Team ensure that the Art School's operations are protected against significant risk through annual monitoring, action planning and risk assessment procedures. The Art School has comprehensive insurance cover against key areas of risk; in addition to Public Liability Insurance cover of up to £10m and Directors' Liability cover of up to £2m, the Art School also has a business interruption insurance covering up to 24 months of fee income. The Art School's accommodation is insured by the Property Trust, at its full re-instatement value.

In addition, as part of the Office for Students application process, the Art School devised and has put in place a Student Protection Plan, which details how the Art School will support students to complete their studies, should the Art School face an extreme challenge leading to total or practical closure.

The Board is satisfied that systems are in place to mitigate, or control where possible, the Art School's exposure to the risks mentioned above.

FUNDRAISING STATEMENT

The Art School adheres to good standards of ethical fundraising. Its Gift Acceptance Policy was reviewed and revised during 2021-22 and formalises the Art School's practices and ethical fundraising position. The Art School greatly values the support it receives from donors. The majority of its donations are received from institutions, which the Art School approaches from time to time. A small number of donations are received from individuals, including student alumni, who are approached from time to time via written correspondence, email or at events.

The Art School does not approach individuals for donations who are not known by the Art School, and does not canvas on the street for donations. The Art School does not employ any third parties to fundraise on its behalf, and no complaints have been received about its fundraising activity. Donors' personal data is not shared with any third party, and is stored safely and securely in line with the General Data Protection Regulations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

A Statement of Trustees' responsibilities is included in the Statement of Corporate Governance and Internal Control.

BOARD OF TRUSTEES

The members who are in office at the date of this report are listed on page 1 with dates of appointment during the course of the reporting year where applicable given below in the Statement of Corporate Governance

No Trustee has received any remuneration for services as a member of the Board (2022 - none).

The Statement of Corporate Governance and Internal control sets out the Trustees who were in office for the year ended 31 August 2023 and up until the date of approval of the financial statements (unless otherwise indicated).

OBJECTIVES AND RELEVANT POLICIES

The Art School's objectives are set to reflect its educational aims and ethos. In setting these, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and to its supplementary benefit guidance on fee charging.

The Art School's key objectives for the year included:

ACCESS AND EQUALITY AND DIVERSITY

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects. It believes in the importance of a diverse student community. The Art School charges fees at a level commensurate with the majority of other institutions that offer higher education in art and design. Not all of the Art School's students are eligible for student loan support, so it seeks to provide financial support through bursaries from its own investment income, from funds raised specifically for this purpose from a wide range of charitable sources and by supporting students in their own search for financial support. The Board's policy is to provide fee bursaries on the basis of need and educational ability, subject to such restrictions as may have been imposed by the donors of the funds at its disposal, and within the capacity of the funds available.

The Art School is committed to promoting and upholding equality and diversity and is committed to a working environment which is free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, disability or age. It anticipates the needs for a diverse range of learning styles and makes reasonable adjustments to meet the specific needs of students and staff who are, or become, disabled, functionally disabled or possess some other protected status.

PUBLIC BENEFIT

The Trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the Art School during the period to further its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

INVESTMENT

The Art School's investments are managed by Cazenove Capital Management Limited. The Art School has a portfolio of investments with a market value including cash as at 31 August 2023 of £1,551,893 (2022: £1,582,720).

There are no extra-statutory restrictions on the Art School's power to invest. The investment strategy is set by an Investment Committee reporting to the Board of Trustees and considers capital growth and income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to provide the level of income sought by the Trustees whilst endeavouring to ensure that longer term capital values more than cover the impact of inflation. The performance of the portfolio is reviewed regularly by the Investment Committee.

Financial Review

RESULTS FOR THE YEAR

The Art School recorded a surplus before net losses on investments of £125,888 (2022: deficit of £151,351) for the year. Unrestricted funds recorded surplus of £44,988, after additional costs arising from increased premises costs of a new lease and significantly higher utilities costs.

Realised gains of £28,686 (2022: gains of £nil) and unrealised losses of £57,933 (2022: losses of £74,056) on the Art School's investments were recorded in its restricted and endowment funds.

RESERVES

The Board has examined the requirement for free reserves i.e. those funds not invested in tangible fixed assets, not designated for specific purposes, not restricted and not otherwise committed. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital as the activities of the Art School grow. In the meantime, the Trustees have taken the view that the expendable endowments and free reserves (as calculated below) should be considered together and are satisfied that this is in line with the reserves policy. A target of three months' operating expenditure would be deemed appropriate.

FINANCIAL POSITION

The balance sheet shows total funds of £1,409,794 (2022: £1,370,525). These funds include endowment funds of £671,764 (2022: £872,842). Whilst the income from these funds may be used for the general purposes of the Art School, permanent endowment fund balances are currently regarded as long-term capital.

Also included within total funds is an amount of £661,952 which is restricted (2022: £466,593). These monies have either been raised for, and their use is restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Details and an analysis of movements in the year of these endowment and restricted funds can be found in notes 15 and 16 to the financial statements.

Unrestricted funds, other than those held within expendable endowments, at 31 August 2023 are in a positive position of £76,078 (2022: positive £31,090). These funds are represented by general fund tangible fixed assets other than investments of £211,934 (2022: £180,961) and by free reserves, inclusive of expendable endowments, of £380,616 (2022: £552,965). The Trustees have considered the position in the context of known future sources of income, and also expendable endowments of £516,472 (2022: £702,836) which are available to provide liquidity to the Art School if needed, and thus consider the reserves position to be acceptable in the context of the reserves policy.

INVESTMENT PERFORMANCE

During the year to 31 August 2023 the Charity's investments produced an overall income of £58,117 (2021/22: £2,904 after timing adjustments) and a net capital loss of £57,933 (2021/22: loss of £74,056).

The investment managers continued to invest in accordance with the Trustees' investment policy, which is reviewed by the Investment Committee and the Board annually, and which is based on an ethical investment approach. The Trustees are satisfied that their investment objectives are being met by the performance of the investments in the context of existing economic and investment conditions.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements and have considered the following:

- Latest operational plan for the remainder of the current 2023/24 academic year in response to ongoing external challenges;
- Revised budget and financial forecasting for the financial year 2023/24 and its impact on the financial plan associated with the Strategic Plan for the period 2022-2027
- Steps taken in pursuit of the objectives of the 2022-27 Strategic Plan, including in ensuring its student recruitment targets are met.

The Art School management's foremost priority continues to be to safeguard the quality of the student experience and ensure student progression. Withdrawals and Interruptions of Studies have remained at very low levels and the reputation of the Art School continues to rise. The 2022/23 intake has proved to be its largest yet and while recruitment into the 2023/24 academic year saw, in line with national trends, a significant fall in numbers on the Foundation course the outlook for 2024/25 remains stable with renewed marketing activities (especially in respect to International students) and plans for the introduction of a new course at degree level. In order to mitigate current financial challenges operational support remains a focus of the Art School's successful fundraising activity for the current year.

To provide additional working capital support if needed, the Art School took advantage of the Coronavirus Business Interruption Loan Scheme to secure a CBIL loan of £250,000, repayable over a period of 6 years from financial year 2021/22. At the year-end £138,889 of the Art School's £1,036,116 cash holdings were derived from the CBIL loan.

The Art School held free reserves of £380,616 as at 31 August 2023 (2022: £552,965) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Future Plans

The Art School has adopted a Strategic Plan 2022-2027 which sets out the targets by which the Art School intends to meet its Strategic Goals of:

i) Promoting academic excellence and increased learning opportunities in its areas of expertise;
ii) Enhancing its student and staff experience by ensuring its infrastructure supports its ambitions as a Centre of Excellence; and
iii) Safeguarding and championing the Art School's ethos and values by ensuring sustainability and supporting future ambitions.

Under the first of these Goals, the Art School's objectives are:

1. to increase learning opportunities by increasing and diversifying the student body; and
2. to increase learning opportunities through Curriculum and Portfolio Development.

The Art School's objectives under the third of the goals are:

1. to support sustainability through improved Financial Performance; and
2. to enhance financial sustainability through increased Fundraising and Development activity and raising the Art School's public profile through increased partnerships, external projects and media coverage and increasing our presence and activity within the local community.

2023/24 will constitute the second year of the Strategic Plan and, although a fall in recruitment has meant the Art School's ambition for an improved financial position will not materialise in-year, its plans in support of these objectives include a move to a new validating partner, an expansion of its non-award bearing short course programme and the possible introduction of a new honours degree programme from 2024/25. The Art School therefore continues to position itself to meet its Strategic objectives within the purview of the Plan.

The Charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Approved by the Board on 6 February 2024 and signed on its behalf by:

Jamie Bill

Jamie Bill
Chair

Dr Lois Rowe
Principal and Accountable Officer

Statement of corporate governance and internal control Year to 31 August 2023

The following statement is provided to enable readers of the annual report and financial statements of City and Guilds of London Art School Limited. to obtain an understanding of its governance and legal structure. These are detailed and governed by the “How We Work” Governance and Management Handbook.

The statement covers the period from 1 September 2022 to 31 August 2023 and up to the date of the approval of the annual report and financial statements.

The Art School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2018 in so far as it is applicable to the Higher Education Sector, and the Charities Act 2011.

2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities, in accordance with the Higher Education Code of Governance.

We have reported on our Corporate Governance arrangements by drawing upon best practice available, including tall relevant aspects of the UK Corporate Governance Code, the Higher Education Code of Governance and the Charities Act 2011.

The Board of Trustees recognises that as a body entrusted with private funds, charitable funds and public funds where received, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

City and Guilds of London Art School Limited is a charitable company, limited by guarantee, not having a share capital.

The Board of Trustees confirm that they have due regard for the Charity Commission’s guidance on public benefit and that the required statement appears elsewhere within the financial statements below.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below.

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The Board of Trustees (continued)

Trustee	Appointed / Resigned
Andrew Allen KC	
Laurence Benson (Vice-Chair)	
Nina Bilbey (Staff Trustee)	Resigned 30 September 2022
Jamie Bill (Chair)	
Dr Virginia Brooke	
Dr Caroline Campbell	
Edward Campbell-Johnston	Appointed 26 October 2022
Paul Farmiloe (Student Trustee)	Appointed 1 October 2023
Martin Hatfull	
James Kelly	
Tabish Khan	Appointed 26 October 2022
Michael Osbaldeston	
Dr Michael Paraskos (Staff Trustee)	Appointed 1 October 2022
Prof Jane Rapley OBE	
Theo Ritzinger (Student Trustee)	Resigned 30 September 2023
Tina Roe (Student Trustee)	Resigned 30 September 2022
Prof Elizabeth Rouse OBE	
Dr Lois Rowe (Principal and Accountable Officer)	
Alexander Stitt	
Helen Sunderland-Cohen	Appointed 26 October 2022
Benjamin Tucker	Resigned 31 August 2023

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. Three members of the Board of Trustees have interests within the organisation, including two salaried members of staff: the Principal (ex-officio Trustee), the Staff Trustee (elected), and the Student Trustee (also known as Chair of Students); none of them receive remuneration for their services as members of the Board.

The Company Secretary to the Board of Trustees maintains a register of financial and personal interest of the members of the Board of Trustees, updated annually.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Art School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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Statement of Trustees' responsibilities (continued)
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees are also responsible for ensuring that the School continues to meet the conditions for Office for Students registration, and also safeguarding freedom of speech and academic freedom.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Meeting Procedures
Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Reports include financial performance of the organisation together with other information such as recruitment, academic and quality matters, personnel-related matters, and health and safety matters. The Board of Trustees met 5 times in 2022/23. Full minutes are kept of all meetings.

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Meeting Procedures (continued)
The Art School has a strong and independent non-executive membership on the Board of Trustees and no individual or group dominates its decision-making process. The organisation is satisfied that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility between the roles of the Chair and Accountable Officer.

Appointment to the Board of Trustees
Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole, as advised by the Nominations Committee.

Board of Trustees Performance Oversight
The Board of Trustees exercise robust scrutiny of performance and challenge where necessary. Board meetings provide the opportunity for thorough discussion of issues arising. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business.

A review of individual Board members' roles and contributions is conducted annually by the Chair.

Committees
During the 2022-23 session, the Board of Trustees received advice on the conduct of its business from four committees and the Academic Board. Each committee has its own terms of reference, approved by the Board of Trustees. The committees were: Audit and Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee. In addition, a Joint Development Advisory Working Group supported the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

	AUDIT and RISK COMMITTEE	INVESTMENT COMMITTEE	NOMINATIONS COMMITTEE	REMUNERATION COMMITTEE
Frequency of meetings	Minimum 4 p.a.	2 p.a.	Minimum 2 p.a.	Minimum 2 p.a.
Chair	Laurence Benson	James Kelly	Caroline Campbell	Laurence Benson
Clerk	Secretary to the Board	Director of Resources and Operations	Secretary to the Board	Secretary to the Board
Trustees	Virginia Brooke Martin Hatfull James Kelly Jane Rapley Michael Osbaldeston	Laurence Benson	Andrew Allen Jamie Bill Alex Stitt Ben Tucker Staff Trustee Student Trustee	Andrew Allen Jamie Bill Martin Hatfull Ben Tucker Staff Trustee Student Trustee

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Non-Trustee Members	Humphrey Carey (Property Trust) Tim Statham	Humphrey Carey (Property Trust) Rupert Asquith		
In attendance	Principal (ex-officio Trustee) Brendan Finucane (former Trustee) Director of Resources and Operations Head of Finance	Head of Finance Nick Orr, Cazenove Capital	Principal (ex-officio Trustee)	Principal (ex-officio Trustee) Director of Resources and Operations Head of Finance

Audit and Risk Committee

The Audit and Risk Committee was responsible to the Board of Trustees in discharging its responsibilities for reporting its independent opinions on the risk management, controls, governance, and value for money arrangements of the Art School. The Committee was responsible for the following:

- To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings of the audit along with the included management letter and management responses.
- To review on a regular basis the Art School's Risk Register, advise the Board of Trustees of any significant changes/additions and to escalate any serious concerns to the Board.
- To commission audit reviews of anything that could potentially threaten or adversely affect the accomplishment of the aims and objectives of the Art School, or which potentially could put the Art School at financial or reputational risk.
- To ensure, on behalf of the Board of Trustees, that sound financial and governance controls are in place, and effectively implemented, including the endorsement of the Art School's Financial Regulations, Reserves Policies and arrangements for risk and business continuity management.

A ***Site and Environment Sub-Committee*** reporting to the Audit and Risk Committee was tasked with overseeing all matters relating to risk management and compliance with legal obligations relating to the physical, working and educational environments, including student and staff welfare provision and the Health and Safety of all the Art School's members and visitors.

Remuneration Committee

The Remuneration Committee provided oversight of strategic staffing matters and determined policy on staff remuneration; and has delegated authority of the Board to determine the schema for staff pay increases and to decide the remuneration of the Principal and Senior Members of Staff.

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Committees (continued)

Investment Committee

The Investment Committee oversaw the management of the Art School's investment portfolio. Under delegated authority of the Board of Trustees, the Investment Committee is responsible for advising the Board on the appointment of the investment managers; for monitoring the performance of the portfolio and the effectiveness of the investment strategy; and for ensuring that the Art School's investments are handled responsibly and ethically.

Nominations Committee

The Nominations Committee oversees the process for the recruitment and appointment of members of the Board of Trustees and on the process for reviewing governance effectiveness. It keeps under review policies and processes relating to membership of the Board of Trustees including induction, training and development of the Trustees.

During the 2022-23 session, the Board commissioned an external consultant to undertake a Governance Review in line with the expectations of the Office for Students and the Chairs of University Councils (CUC) Higher Education Code of Governance. The Review made a number of recommendations relating to the terms of reference and membership of the Board's committees which were duly adopted. From 2023-24, the Board of Trustees receives advice on the conduct of its business from three committees: *Audit & Risk*, *Finance & General Purposes* (and its two sub-committees: *Investment* and *Remuneration),* and *Nominations.* It is also advised and informed by the Academic Board. Recently established, the *Access & Participation* (a sub-committee of both Academic Board and the Board of Trustees) also advises the Board. In addition, the Joint Development Advisory Group continues to support the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

Academic Board

The Academic Board is established by the Board of Trustees with delegated powers to oversee the Art School's academic activities on its behalf and to be the its supreme academic authority. Chaired by the Principal, the responsibilities delegated to Academic Board are to:

- Uphold the academic standards of the Art School's courses and the quality of its teaching and student welfare provision.
- Devise, maintain, amend, and in individual cases, suspend, the Student Regulations.
- Recommend the appointment of External Examiners for validated provision.
- Appoint External Examiners for non-validated provision.
- Confirm the students' results for those courses delivered independently of a validating partner.
- Elicit, receive and act upon student feedback.

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Committees (continued)

Academic Board (continued)

- Oversee all internal review and evaluation processes including periodic reviews by the Office for Students (via the QAA).

- Work to foster excellent relationships with the Art School's validating partners.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. Such a system incorporates risk management and is designed to manage the risk of failure to achieve academic, operational and financial objectives and is designed to provide reasonable assurance against material misstatement or loss, covering such areas as educational standards, safeguarding, IT and data protection, Health and Safety and Estates, HR matters and finance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the Art School's policies, aims and objectives, whilst safeguarding the funds received and assets. The Principal is responsible for reporting to the Board of Trustees, through the Audit and Risk Committee, any material weaknesses or failures in internal control.

The system of internal control

The system of internal control is designed to manage risk to a reasonable level and is based on an on-going process of identifying and prioritising the risks to the achievement of Art School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place at the Art School for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and governance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that an effective formal on-going process for identifying, evaluating and managing the Art School's significant risks has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

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Internal Control (continued)

The risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- A comprehensive register of risks, updated and reviewed on a semi-annual basis
- annual budgeting with an annual budget reviewed and agreed by the Board of Trustees
- periodic reviews by the Board of Trustees of management accounts and financial reports which present and assess financial performance against budget and performance indicators

Review of effectiveness

As the Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the external auditors;
- the work of the Head of Finance and other staff who have responsibility for the maintenance and development of the internal control framework;
- comments made by the Art School's financial statements and regularity auditors in their management letters and other reports; and
- advice provided by Trustees working through the Committees.

There are no significant internal control weaknesses reported for the period.

The Senior Management Team regularly reviews key performance and risk indicators and considers possible control issues brought to their attention. The Audit and Risk Committee receives regular reports, which include recommendations for improvement, and conducts an annual review of the arrangements for internal control. The Board of Trustees' agenda includes a regular item for consideration of risk and control and receives reports thereon from the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on the above and on reports by the Principal, the Board of Trustees is of the opinion that the Art School has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2023 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

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Internal Control (continued)

Regularity, propriety, and compliance

The Art School has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the Art School's, or material non-compliance with terms and conditions of funding under its financial regulations. As part of our consideration we have had due regard to our financial regulations. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern

Details on the Board's going concern assessment are set out on pages 16-17.

Approved by order of the Board of Trustees on 06 February 2024 and signed on its behalf by:

Jamie Bill

Jamie Bill
Chair

Dr Lois Rowe
Principal and Acccountable Officer

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Independent auditor's report to the members of City and Guilds of London Art School Limited

Opinion

We have audited the financial statements of City and Guilds of London Art School Limited ('the charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 2023 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with the financial reporting standards (FRS102); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Office for Students

In our opinion, in all material aspects:

- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the Office for Students and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the latest Office for Student's Accounts Direction.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

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Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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.

We have nothing to report in respect of the following matters where the Office for Students requires us to report to you where:

- the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements, has been materially misstated.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

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Auditor's responsibilities for the audit of the financial statements (continued)
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- used data analytics to investigate the rationale behind any significant or unusual transactions;
- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and
- performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

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Auditor's responsibilities for the audit of the financial statements (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Hugh Swainson, Senior Statutory Auditor
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

07 February 2024

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Statement of financial activities (including income and expenditure statement, which includes statement of changes in reserves) Year to 31 August 2023

	Notes	General fund £	Restricted funds £	Endowment funds £	**Year to 31 August 2023 Total funds £**	Year to 31 August 2022 Total funds £
Income and expenditure						
Income and endowments from:						
Charitable activities						
Art School fees	1	2,845,816	—	—	**2,845,816**	2,418,389
Donations and legacies		122,575	594,550	—	**717,125**	559,556
Investment income & interest received	2	46,784	13,086	—	**59,870**	2,904
Other		52,487	—	—	**52,487**	46,058
Total income		3,067,662	607,636	—	**3,675,298**	3,026,907
Expenditure on:						
Charitable activities						
. Costs of operating the Art School						
.. Teaching staff and personnel	6	1,207,582	44,669	112,175	**1,364,426**	1,277,003
.. Support costs	4	1,147,423	512	1,818	**1,149,753**	1,012,168
.. Premises		592,562	27,532	—	**620,094**	441,045
.. Promotions and publicity	3	71,902	—	—	**71,902**	69,079
. Bursaries, scholarships and prizes	5	3,205	324,630	15,400	**343,235**	378,963
Total expenditure		3,022,674	397,343	129,393	**3,549,410**	3,178,258
Net income (expenditure) before gains on investments and transfers	5	44,988	210,293	(129,393)	**125,888**	(151,351)
Net gains/(loss) on investments	10	—	(14,934)	(71,685)	**(86,619)**	(74,056)
Net income / (expenditure) and net movement in funds		44,988	195,359	(201,078)	**39,269**	(225,407)
STATEMENT OF CHANGES IN RESERVES						
Net income / (expenditure) and net movement in funds		44,988	195,359	(201,078)	**39,269**	(225,407)
Reconciliation of Funds						
Fund balances brought forward on 1 September 2022		31,090	466,593	872,842	**1,370,525**	1,595,932
Fund balances carried forward at 31 August 2023		76,078	661,952	671,764	**1,409,794**	1,370,525

All of the charitable company's activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

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Balance sheet 31 August 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		**263,237**		180,961
Investments	10		**1,551,893**		1,582,721
			1,815,130		1,763,682
Current assets					
Stocks	11	**15,676**		23,826	
Debtors	12	**321,522**		157,516	
Cash at bank and in hand		**1,036,116**		1,188,823	
		1,373,314		1,370,165	
Creditors: amounts falling due within one year	13	**(1,681,428)**		(1,628,316)	
Net current liabilities			**(308,114)**		(258,151)
Creditors: amounts falling due after one year	14		**(97,222)**		(135,006)
Total net assets			**1,409,794**		1,370,525
Represented by:					
The Funds of the Charity					
Endowment funds	15		**671,764**		872,842
Income funds:					
Restricted funds	16		**661,952**		466,593
Unrestricted funds:					
General fund			**76,078**		31,090
			1,409,794		1,370,525

Approved by the Board on 06 February 2024 and signed on its behalf by:

Jamie Bill

Jamie Bill

Dr Lois Rowe

City and Guilds of London Art School Limited: A company limited by guarantee, Company Registration No. 07817519 (England and Wales)

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Statement of cash flows 31 August 2023

	Notes	Year to 31 August 2023 £	Year to 31 August 2022 £
Net cash flows from operating activities	A	**(22,934)**	342,476
Net cash flows from investing activities	B	**(120,136)**	(152,996)
Change in cash and cash equivalents in the year		**(143,070)**	189,480
Cash and cash equivalents at the beginning of the year		**1,223,242**	1,033,762
Cash and cash equivalents at the end of the year	C	**1,080,172**	1,223,242

Notes to the statement of cash flows for the year to 31 August 2023

A Reconciliation of net income (expenditure) to net cash (used in) provided by operating activities

	2023 £	2022 £
Net income (expenditure)	**125,888**	(151,351)
Depreciation charge	**53,906**	45,310
Dividends, interest and rents from investments	**(59,870)**	(2,904)
Effect of capitalisation of investment manager's fees	**(2,330)**	(2,422)
Decrease in stocks	**8,150**	645
(Increase) decrease in debtors	**(164,006)**	96,892
Increase in creditors	**15,328**	356,306
Net cash (used by) provided by operating activities	**(22,934)**	342,476

B Cash flows from investing activities:

	2023 £	2022 £
Dividends and interest from investments	**59,870**	2,904
Purchase of tangible fixed assets	**(136,182)**	(36,285)
Payments to acquire investments	**(658,859)**	(119,615)
Receipts from the disposal of investments	**615,035**	—
Net cash (used in) provided by investing activities	**(120,136)**	(152,996)

C Analysis of cash and cash equivalents

	31 August 2023 £	31 August 2022 £
Cash at bank and in hand	**1,036,116**	1,188,823
Cash held by investment managers	**44,056**	34,419
	1,080,172	1,223,242

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Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the latest Office for Students' Accounts Direction.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- the provision against doubtful and bad debts in respect to Art School fees; and
- estimates in respect of accrued expenditure.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Art School held free reserves of £380,616 as at 31 August 2023 (2022: £552,965) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School now holds expendable endowments totalling £516,472 (2022: £702,836). These expendable endowments are available to provide liquidity to the Art School if needed.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

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Income

Income is recognised in the period in which the Art School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from restricted funds for scholarships, bursaries and other grants.

Donations are recognised when received and are only accrued where the Art School can demonstrate entitlement to receipt and the amount is measurable and receipt is probable.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

1 The costs of charitable activities involving expenditure on the Art School's primary charitable purpose, i.e. the operation of the Art School. In addition bursaries, scholarships and prizes are given to students.

1.1 The costs of operating the Art School include the costs of premises, teaching staff and personnel, support costs including governance costs, and costs of promoting and publicising the Art School and its activities.

Included within support costs are 50% of the fees incurred in managing the School's investment portfolio. The remaining 50% of investment manager's fees are debited to the value of cash held by investment manager on the balance sheet (note 10) and also deducted from unrealised investment gains.

1.2 Bursaries, scholarships and prizes payable by the restricted funds are included in the statement of financial activities when approved, and when set off against the fees to which they relate.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

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Tangible fixed assets
All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

Assets are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures and fittings 10% on cost
- Tools and equipment 20% on cost
- Computer and hi-tech equipment 33% on cost
- Website 20% on cost

Debtors
Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the Charity anticipates it will pay to settle the debt.

Investments
Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Financial instruments
The Art School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Art School and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

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Financial instruments (continued)
Financial liabilities – trade creditors, accruals, the loan and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks
Stocks, comprising artists' materials for resale, are stated at cost.

Fund accounting
The general fund comprises those monies which may be used towards meeting the charitable objectives of the Art School at the discretion of the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor.

The endowment funds comprise both permanent and expendable endowments. Permanent endowments are monies which must be held as capital indefinitely. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Expendable endowments are monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

Leased assets
Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

Pension costs
Contributions to employees' personal pension plans are debited to the statement of financial activities in the year in which they are payable to the relevant plans.

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1 Grant and fee income

	Year to 31 August 2023 £	Year to 31 August 2022 £
Fee income for taught awards	**2,845,816**	2,418,389
Total grant and fee income	**2,845,816**	2,418,389

The School had no other types of grant and fee income as detailed in clause 23 of the Office for Students Accounts Direction.

2 Investment income and interest receivable

	General fund £	Restricted and endowment funds £	**Year to 31 August 2023 total £**
Income from UK investments			
. Unit trusts and common investment funds	45,031	13,086	**58,117**
Bank interest	1,753	—	**1,753**
	46,784	13,086	**59,870**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2022 total £*
Income from UK investments			
. Unit trusts and common investment funds	*(7,575)*	*10,425*	*2,850*
Bank interest	*54*	*—*	*54*
	(7,521)	*10,425*	*2,904*

3 Promotion and publicity

	General fund £	Restricted and endowment funds £	**Year to 31 August 2023 total £**
Marketing	71,902	—	**71,902**
	71,902	—	**71,902**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2022 total £*
Marketing	*69,079*	*—*	*69,079*
	69,079	*—*	*69,079*

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4 Support costs

	General fund £	Restricted and endowment funds £	**Year to 31 August 2023 total £**
Staff costs	640,428	—	**640,428**
Equipment, IT and depreciation	163,373	—	**163,373**
Student materials and project expenses	138,495	—	**138,495**
Other support costs	153,909	2,330	**156,239**
Governance costs:			
. Legal and professional fees	27,277	—	**27,277**
. Statutory audit services	17,820	—	**17,820**
. Non statutory audit services	6,120	—	**6,120**
	1,147,422	2,330	**1,149,752**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2022 total £*
Staff costs	*581,712*	—	*581,712*
Equipment, IT and depreciation	*151,015*	—	*151,015*
Student materials and project expenses	*103,298*	—	*103,298*
Other support costs	*146,378*	*2,422*	*148,800*
Governance costs:			
. Legal and professional fees	*10,233*	—	*10,233*
. Statutory audit services	*15,120*	—	*15,120*
. Non statutory audit services	*1,990*	—	*1,990*
	1,009,746	*2,422*	*1,012,168*

5 Net expenditure

This is stated after charging:

	General fund £	Restricted and endowment funds £	**Year to 31 August 2023 total £**
Staff costs (note 6)	1,864,854	140,000	**2,004,854**
Auditor's remuneration:			
. Statutory audit services	17,820	—	**17,820**
. Non-statutory audit services	6,120	—	**6,120**
Depreciation and loss on disposals	49,163	—	**49,163**
Operating lease rentals			
. Land and buildings	364,493	—	**364,493**
. Equipment	30,226	—	**30,226**
Bursaries, scholarships and prizes	3,205	340,030	**343,235**

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5 Net expenditure (continued)
This is stated after charging:

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2022 total £*
Staff costs (note 6)	*1,658,715*	*200,000*	*1,858,715*
Auditor's remuneration:			
. Statutory audit services	*15,120*	*—*	*15,120*
. Non-statutory audit services	*1,990*	*—*	*1,990*
Depreciation and loss on disposals	*45,310*	*—*	*45,310*
Operating lease rentals			
. Land and buildings	*295,224*	*—*	*295,224*
. Equipment	*29,241*	*—*	*29,241*
Bursaries, scholarships and prizes	*—*	*378,963*	*378,963*

Bursaries were paid to 67 individuals (2022 – 61) during the year.

6 Staff costs and Trustees' remuneration

	Year to 31 August 2023 £	Year to 31 August 2022 £
Staff costs during the year were as follows:		
Salaries	**1,505,129**	1,384,962
Social security costs	**122,273**	108,214
Pension	**66,775**	63,118
	1,694,177	1,556,294
Self-employed tutors	**298,767**	283,308
Other staff costs	**11,910**	19,113
	2,004,854	1,858,715

Staff costs analysed by function were as follows:

	Year to 31 August 2023 £	Year to 31 August 2022 £
Teaching	**1,364,426**	1,247,003
Support, administration and management	**640,428**	581,712
	2,004,854	1,858,715

The average number of employees, all of whom are engaged in the operation of the Art School, analysed by function and on a full time equivalent basis was:

	Year to 31 August 2023	Year to 31 August 2022
Teaching	**31**	30
Support, administration and management	**15**	13
	46	43

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6 Staff costs and Trustees' remuneration (continued)

The average number of employees, all of whom are engaged in the operation of the Art School, was 86 (2022 – 88) for the year ended 31 August 2023. Many of these are employed on a part-time basis.

The Principal's total remuneration in the year ended 31 August 2023 was as follows:

	2023 **£**	2022 £
Basic salary	**87,000**	72,709
Pension contribution	**3,263**	3,635
	90,263	76,344

The Board of Trustees Remuneration Committee considers the case for annual pay increases. The Principal is line managed by the Chair of the Board and their salary, together with all other salaries, is considered by the Remuneration Committee with proposals made to the full Board. The Principal and Director of Resources and Operations attend to provide information. The Company Secretary is the Clerk to the Committee. The Principal, Director of Resources and Operations and Company Secretary are not members of the Remuneration Committee, and do not attend when their own salaries are under consideration. The Art School has given regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

As at 31 August 2023, the Accountable Officer's basic salary was 2.62 times (2022 – 2.45 times) the median pay of staff, where the median pay is calculated on a full-time equivalent basis for all staff contracted on an annual salary basis. There were no performance related payments made to the Accountable Officer in 2022/23.

No Trustees received any remuneration or other emoluments in respect of their services as a member of the Board during the year (2022 – none). In addition to the Accountable Officer, there was one further Trustee who was employed by the School part-time in the year ended 31 August 2023 and received gross pay of £8,259 (2022 - £24,133) and employer's pension contributions of £413 (2022 - £1,207) in respect of that employment. No expenses were reimbursed to Trustees during the year (2022 – none). The numbers of employees earning greater than £60,000 during the year were as follows:

	2023 **No.**	2022 No.
£60,001 - £70,000	**1**	—
£70,001 - £75,000	**—**	1
£85,001 - £90,000	**1**	—
	2	1

Pension contributions in respect of these employees amounted to £ 6,272 (2022 – £3,635).

The aggregate remuneration, including employer's pension contributions paid to key management personnel and employer's national insurance, was £496,920 (2022 – £492,237).

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6 Staff costs and Trustees' remuneration (continued)

Key management personnel during the year consisted of the Principal, Director of Resources and Operations, four academic Heads of Department, Head of Finance and the Head of Development and External Relations.

The Art School has purchased insurance to protect itself from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium provided cover of up to a maximum of £2 million.

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2022 between restricted, endowment and unrestricted funds:

	Notes	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2022 Total funds £
Income and expenditure					
Income and endowments from:					
Charitable activities					
Art School fees	1	2,418,389	—	—	2,418,389
Donations and legacies		150,535	409,021	—	559,556
Investment income & interest received	2	(7,521)	10,425	—	2,904
Other		46,058	—	—	46,058
Total income		2,607,461	419,446	—	3,026,907
Expenditure on:					
Charitable activities					
. Costs of operating the Art School					
.. Teaching staff and personnel	6	1,077,003	—	200,000	1,277,003
.. Support costs	4	1,009,746	515	1,907	1,012,168
.. Premises		441,045	—	—	441,045
.. Promotions and publicity	3	69,079	—	—	69,079
. Bursaries, scholarships and prizes	5	—	366,413	12,550	378,963
Total expenditure		2,596,873	366,928	214,457	3,178,258
Net (expenditure) income before gains on investments and transfers	5	10,588	52,518	(214,457)	(151,351)
Net gains/(loss) on investments	10	—	(14,690)	(59,366)	(74,056)
Net (expenditure) / income and net movement in funds		10,588	37,828	(273,823)	(225,407)
STATEMENT OF CHANGES IN RESERVES					
Net (expenditure) / income and net movement in funds		10,588	37,828	(273,823)	(225,407)
Reconciliation of Funds					
Fund balances brought forward on 1 September 2021		20,502	428,765	1,146,665	1,595,932
Fund balances carried forward at 31 August 2022		31,090	466,593	872,842	1,370,525

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8 Taxation

City and Guilds of London Art School Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Fixtures and fittings £	Website £	Tools and equipment £	New computer equipment £	**Total £**
Cost					
At 1 September 2022	448,374	24,186	231,786	118,674	**823,020**
Additions	120,675	—	4,106	11,401	**136,182**
At 31 August 2023	569,049	24,186	235,892	130,075	**959,202**
Depreciation					
At 1 September 2022	298,351	24,186	208,000	111,522	**642,059**
Charge for year	40,047	—	9,457	4,402	**53,906**
At 31 August 2023	338,398	24,186	217,457	115,924	**695,965**
Net book values					
At 31 August 2023	230,651	—	18,435	14,151	**263,237**
At 1 September 2022	150,023	—	23,786	7,152	**180,961**

10 Investments

	2023 £	2022 £
Listed investments and cash		
Opening market value at 1 September	**1,548,301**	1,500,319
Additions	**658,865**	119,616
Disposals	**(643,725)**	—
Capitalised investment manager's fees	**2,330**	2,422
Unrealised investment (losses) gains	**(57,934)**	(74,056)
	1,507,837	1,548,301
Cash held by investment manager	**44,056**	34,419
Total market value of investments at 31 August	**1,551,893**	1,582,720
Cost of listed investments - 31 August	**1,491,803**	1,450,141

Listed investments and cash held at 31 August 2023 comprised the following:

	2023 £	2022 £
Charity Multi Asset Funds	**1,507,837**	1,548,301
	1,507,837	1,548,301
Cash held by investment managers	**44,056**	34,419
	1,551,893	1,582,720

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Investments (continued)

All investments were dealt in on a recognised stock exchange.

At 31 August 2023, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	Market value £
Cazenove Charity Multi Asset Fund S Units GBP Distribution	**70.1**	**450,286**
SUTL Cazenove Charity Responsible	**29.9**	**1,057,551**

At 31 August 2022, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	*Market value £*
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	*16.5*	*256,072*
Cazenove Charity Multi Asset Fund S Units GBP Distribution	*54.5*	*843,823*
SUTL Cazenove Charity Responsible	*29.0*	*448,405*

11 Stocks

	2023 £	2022 £
Materials for resale	**15,676**	23,826

12 Debtors

	2023 £	2022 £
Student fees outstanding	**114,877**	70,784
Other debtors	**633**	—
Prepayments and accrued income	**148,607**	86,732
City and Guilds Art School Property Trust	**57,405**	—
	321,522	157,516

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Student fees in advance	**1,324,291**	1,308,408
Trade creditors	**25,504**	31,634
Taxation and social security	**35,516**	26,827
Other creditors	**99,095**	25,969
CBIL Loan	**41,667**	41,667
Accruals and other deferred income	**155,355**	126,934
City and Guilds Art School Property Trust	**—**	66,877
	1,681,428	1,628,316

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14 Creditors: amounts falling due after one year

	2023 **£**	2022 £
CBIL Loan – payable between two and five years	**97,222**	135,006
	97,222	135,006

The interest rate attached to the loan is based on a floating rate, and will be less than 2.9905% per annum.

15 Endowment funds

The capital funds of the Art School include permanent endowments and expendable endowments. The permanent endowments are comprised of monies which must be retained as capital indefinitely. The expendable endowments are comprised of monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

	At 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	**At 31 August 2023 £**
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	170,006	—	(754)	(13,960)	**155,292**
	170,006	—	(754)	(13,960)	**155,292**
Expendable endowments					
Margaret Ballardie bequest	298,357	—	(112,175)	(24,511)	**161,671**
Idun Ravndal Memorial Legacy	237,665	—	(15,000)	(19,518)	**203,147**
Other endowments	166,814	—	(1,464)	(13,696)	**151,654**
	702,836	—	(128,639)	(57,725)	**516,472**
Total endowments	872,842	—	(129,393)	(71,685)	**671,764**

The income from the endowment funds is included in unrestricted general funds.

	At 1 September 2021 £	*Income £*	*Expenditure £*	*Gains, losses and transfers £*	*At 31 August 2022 £*
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	*179,814*	—	*(499)*	*(9,309)*	*170,006*
	179,814	—	*(499)*	*(9,309)*	*170,006*
Expendable endowments					
Margaret Ballardie bequest	*526,096*	—	*(200,500)*	*(27,239)*	*298,357*
Idun Ravndal Memorial Legacy	*261,188*	—	*(10,000)*	*(13,523)*	*237,665*
Other endowments	*179,567*	—	*(3,458)*	*(9,295)*	*166,814*
	966,851	—	*(213,958)*	*(50,057)*	*702,836*
Total endowments	*1,146,665*	—	*(214,457)*	*(59,366)*	*872,842*

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16 Restricted funds

The income funds of the Art School include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance at 1 September 2022 £	Income from invest-ments £	Donations £	Expenditure £	Realised/ unrealised gains on invest -ments £	**Balance at 31 August 2023 £**
Annual Bursaries Fund	128,354	—	523,474	(355,596)	—	**296,232**
Saul Bursary Fund	42,428	2,186	—	(88)	(3,478)	**41,048**
Charles Noble/Peter Chance Scholarship F	27,406	1,413	—	(57)	(2,250)	**26,512**
Rodney Burn RA Scholarship Fund	45,034	2,318	—	(94)	(3,690)	**43,568**
Simon Birch Memorial Bursary Fund	79,222	4,578	—	(168)	(1,392)	**82,240**
Edith and Stephen Burnett Memorial Fund	4,209	214	—	(9)	(341)	**4,073**
David Ballardie Memorial Award Fund	38,516	1,981	—	(1,417)	(3,153)	**35,927**
Idun Ravndal Travel Award	934	48	—	(230)	(77)	**675**
Other prize and special funds	15,462	348	14,876	(7,116)	(553)	**23,017**
Books & Paper Conservation Project	85,028	—	—	(27,825)	—	**57,201**
Recovery Appeal	—	—	56,200	(4,743)	—	**51,457**
	466,593	13,086	594,550	(397,343)	(14,934)	**661,952**

Funds related to bursaries are now included in the top line “Annual Bursaries Fund”

The specific purposes for which the funds are to be applied are given by their descriptions in the table above. The main purposes are the awarding of scholarships, bursaries and prizes.

	Balance at 1 September 2021 £	*Income from invest-ments £*	*Donations £*	*Expenditure £*	*Realised/ unrealised gains on invest -ments £*	*Balance at 31 August 2022 £*
Annual Bursaries Fund	*25,107*	—	*395,260*	*(292,013)*	—	*128,354*
Saul Bursary Fund	*44,196*	*1,699*	—	*(1,073)*	*(2,394)*	*42,428*
Charles Noble/Peter Chance Scholarship F	*27,890*	*1,072*	—	*(46)*	*(1,510)*	*27,406*
Rodney Burn RA Scholarship Fund	*45,831*	*1,761*	—	*(76)*	*(2,482)*	*45,034*
Simon Birch Memorial Bursary Fund	*80,705*	*3,102*	—	*(214)*	*(4,371)*	*79,222*
Edith and Stephen Burnett Memorial Fund	*4,283*	*165*	—	*(7)*	*(232)*	*4,209*
David Ballardie Memorial Award Fund	*41,734*	*1,604*	—	*(2,562)*	*(2,260)*	*38,516*
Idun Ravndal Travel Award	*2,055*	*79*	—	*(1,089)*	*(111)*	*934*
Other prize and special funds	*24,556*	*944*	*13,760*	*(22,468)*	*(1,330)*	*15,462*
Books & Paper Conservation Project	*112,408*	—	—	*(27,380)*	—	*85,028*
Recovery Appeal	*20,000*	—	—	*(20,000)*	—	—
	428,765	*10,425*	*409,020*	*(366,928)*	*(14,690)*	*466,593*

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17 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	**Total 2023 £**
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	211,934	51,303	—	**263,237**
Investments	224,342	655,787	671,764	**1,551,893**
Current assets	1,366,574	6,740	—	**1,373,314**
Creditors: amounts falling due within one year	(1,629,550)	(51,878)	—	**(1,687,593)**
Creditors: amounts falling due after one year	(97,222)	—	—	**(97,222)**
Total net assets	**76,078**	**661,952**	**671,764**	**1,409,794**

	General fund £	*Restricted funds £*	*Endowment funds £*	*Total 2022 £*
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	*180,961*	*—*	*—*	*180,961*
Investments	*243,286*	*466,593*	*872,842*	*1,582,721*
Current assets	*1,370,165*	*—*	*—*	*1,370,165*
Creditors: amounts falling due within one year	*(1,628,316)*	*—*	*—*	*(1,628,316)*
Creditors: amounts falling due after one year	*(135,006)*	*—*	*—*	*(135,006)*
Total net assets	*31,090*	*466,593*	*872,842*	*1,370,525*

The total unrealised gains as at 31 August 2023 constitute movement on revaluation and are as follows:

	2023 £	2022 £
Unrealised (losses) gains included above		
On listed investments as at 31 August 2023	**(57,934)**	(74,056)
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2022	**265,710**	339,766
Unrealised (losses) gains on listed investments arising in the year	**(57,934)**	(74,056)
Total unrealised gains at 31 August 2023	**207,776**	265,710

18 Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Art School being wound up members are required to contribute an amount not exceeding £1 each.

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19 Leasing commitments

Operating leases

At 31 August 2023 the Art School had the following commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2023	2022	**2023**	2022
	£	£	**£**	£
Operating leases which expire:				
Within one year	**367,785**	190,063	**31,101**	31,714
Between two and five years	**1,512,647**	799,032	**—**	31,101
Over five years	**890,823**	864,898	**—**	—
	2,771,255	1,853,993	**31,101**	62,815

The land and buildings operating leases relate to the site at Kennington Park Road and the sub-lease of premises in the Old Vauxhall Telephone Exchange in nearby Kennings Way from the Property Trust for the period up to the first break clause. The previous lease for the latter expired in late September 2022 and Heads of Terms for a new lease from the date of that expiry were agreed at an increased rental which was duly accounted for in 2022/23.

20 Related party transactions

The City and Guilds Art School Property Trust has senior management in common with the Art School. The Art School charged a management fee of £57,405 (2022 – £51,921) to the Property Trust during the year. The Property Trust charged the Art School rent, including VAT, of £364,493 (2022 – £300,369). The Trust charged no management fee to the Art School (2022 – £14,376). No grants were received from the Property Trust in respect of the year (2022 – £nil).

21 Post balance sheet events

There were no post balance sheet events to consider.

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CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales - Charity number 1144708

Accounts

City&Guilds of London Art School

ANNUAL REPORT AND FINANCIAL STATEMENTS

31 AUGUST 2022

COMPANY LIMITED BY GUARANTEE
REGISTRATION NUMBER
07817519
(ENGLAND AND WALES)

CHARITY REGISTRATION NUMBER
1144708

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Reference and administrative information

Trustees

Jamie Bill (Chair)
Andrew Allen KC
Laurence Benson (Vice-Chair)
Nina Bilbey (resigned 30/09/22)
Dr Virginia Brooke
Dr Caroline Campbell
Edward Campbell-Johnston (appointed 26/10/22)
Gabriel Gbadamosi (resigned 31/12 21)
Martin Hatfull
James Kelly
Tabish Khan (appointed 26/10/22)
Tamiko O'Brien (resigned 31/08/2022)
Michael Osbaldeston
Dr Michael Paraskos (appointed 01/10/2022)
Prof Jane Rapley OBE
Theo Ritzinger (appointed 01/10/22)
Tina Roe (appointed 01/10/21; resigned 30/09/22)
Prof Elizabeth Rouse OBE
Dr Lois Rowe (appointed 01/09/2022)
Alexander Stitt
Helen Sunderland-Cohen (appointed 26/10/22)
Benjamin Tucker

Company Secretary

Harriet Lam

Senior Management Team

Principal	Dr Lois Rowe (appointed 01/09/2022)
Director of Resources and Operations	Nick Rampley
Head of Finance	Shahzad Asghar
Head of Historic Carving	Heather Newton
Head of Art Histories	Tom Groves
Head of Fine Art	Robin Mason
Head of Foundation	Keith Price
Head of Conservation	Dr Marina Sokhan
Head of Access to Learning	Teresita Dennis
Head of Development and External Relations	Hannah Travers

Reference and administrative information

Registered and principal office	124 Kennington Park Road London SE11 4DJ
Telephone	020 7735 2306
Website	www.cityandguildsartschool.ac.uk
Email	office@cityandguildsartschool.ac.uk
Company registration number	07817519 (England and Wales)
Charity registration number	1144708
UKPRN	10039082
Bankers	Barclays Bank plc Southwark Branch 29 Borough High Street London SE1 1LY
Investment Managers	Cazenove Capital Management Limited 1 London Wall Place London EC2Y 5AU
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Trustees' Report | Year to 31 August 2022

Introduction

The Board of Trustees ("the Board") of City and Guilds of London Art School Limited ("the Art School" or "the Charity" or "the charitable company") presents its annual report and the audited financial statements for the year ended 31 August 2022.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and comply with the Office for Students' Accounts Direction.

Constitution

The Art School is a charitable company, limited by guarantee, not having a share capital. The Art School's governance is determined by its Articles of Association, dated 22 May 2019. As set out in the Articles the Directors of the Art School form the Art School Board of Trustees. To assist in exercising their duties, the Board has a number of Committees, which are detailed and governed by the Art School's "How We Work: Governance and Management" Handbook.

The Charity was incorporated on 20 October 2011 to continue the educational activities that were transferred from City & Guilds Art School Property Trust ("the Property Trust") on 31 March 2012 as part of a business transfer agreement.

The Art School is a Higher Education Provider registered with the Office for Students in its Approved Category.

Principal aims and activities

Founded in 1879, and with a history dating back to 1854, the Art School is one of the UK's oldest art educational institutions specialising in art, craft and conservation. Its original mission was to provide quality instruction in applied art and design for local people. This broadened over time and since World War II has encompassed restoration and conservation to assist, initially, with the effort to repair London's monuments and heritage. Through this, it developed a strong reputation for excellence in both art and craft.

Principal aims and activities (continued)

The Art School's mission today is to nurture individual talent by providing an immersive learning environment with an emphasis on the dialogue between the eye, the hand and the material, informed by the study and analysis of historical and contemporary art and craft. This is delivered through a number of specialist courses including undergraduate and postgraduate courses in Fine Art, Carving (architectural stone and ornamental wood carving and gilding), Conservation of cultural artefacts (with a focus on three-dimensional objects, gilded and other decorative surfaces, and on books and paper), as well as a Foundation Diploma in Art & Design. This activity is consistent with the objects contained within the Art School's Articles of Association.

The Art School sets out to educate artists, craftspeople and conservators who will go on to make a significant contribution in their fields, through the pursuit of excellence in traditional skills as well as through creative innovation and enterprise and a commitment to offering students a high level of contact time working with some of the country's leading specialist practitioners.

Convinced of the social value and necessity of its subjects, not only for the creative and heritage sectors, but for society at large, the Art School champions the roles that art and craft play by engaging in national and international collaborations and through public facing events.

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects and motivating students to be inquisitive and resourceful, equipping them to go on learning through practice for the rest of their lives.

Public benefit

The Trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the Art School during the period to further its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

Governance, structure and management

REVIEW

The current year saw further consolidation of the membership of the Board of Trustees: one Trustee decided to stand down before the end of the year; following an analysis of skills needs a recruitment exercise was undertaken and three new Trustees were appointed from the beginning of the 2022-23 academic session. The resignation of the out-going Principal, who was an ex officio Trustee, at the end of the year and the appointment of her successor from the beginning of 2022-23, occasioned a further change to the Board. The only other changes in membership during the year were the retirement of the staff trustee on reaching the end of her term of office and the appointment of her successor from the beginning of the 2022-23 session, and the retirement of the Board's student representative whose

Governance, structure and management (continued)

REVIEW (CONTINUED)

appointment as co-Chair of Students expires on an annual basis. Towards the end of the year the Board considered the desirability of undertaking a Governance Review to inform its proceedings and meet the recommendations of the Office for Students and agreed that a Review by an independent third party should be commissioned and carried out in the course of 2022-23.

ORGANISATION

The Trustees are directors of the company for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of Charity legislation.

The Board is the policy-making body of the Art School. It is assisted by the Secretary, who is appointed by the Board. The Board also operates through a number of committees, including: Audit and Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee.

Though the Board retains responsibility for the assurance of institutional quality and standards, the control of academic matters, including the structures, processes and regulatory frameworks through which academic matters are decided and overseen, resides with academic staff. Academic authority is exercised through the Academic Board, advised and supported by professional /administrative colleagues and with the involvement of students. The Academic Board is chaired by the Principal and operates under delegated authority from the Board. It is supported by the various Boards of Studies for each of the Academic Departments. The Site and Environment Sub-Committee, established in October 2019 also reports to the Trustees through the Audit and Risk Committee.

Additionally, there is a Finance Working Group which advises the Board on financial strategy, the Principal's Business Planning Advisory Group providing the benefit of Trustee-level expertise and experience in exploring the feasibility of new business opportunities, initiatives or broader issues, and a Joint Development Advisory Working Group that supports the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

KEY MANAGEMENT PERSONNEL

The Principal of the Art School, who is Ex Officio Trustee, is charged with carrying out the policies agreed with the Trustees and with managing the Art School's academic activities and directing and running the organisation on a day-to-day basis. She is assisted in this by the Director of Resources and Operations and by the Heads of Department for each of: Access to Learning; Art Histories; Conservation; Fine Art; Foundation; and Carving; who, along with the Head of Finance and Head of Development and External Relations, form the Senior Management Team.

In addition, there are functional heads responsible for supervising certain key shared facilities such as the Site Manager, Librarian, Drawing Studio Manager and Print Room Manager.

Governance, structure and management (continued)

KEY MANAGEMENT PERSONNEL (CONTINUED)

The remuneration of key management personnel as well as the overall scheme for all staff is set and approved by the Trustees through the Remuneration Committee. Remuneration is reviewed annually, paying due regard to market rates and sector benchmarks.

PERSONNEL

In line with the Art School's policy whereby students are largely taught by practising professionals, specialist tutors are engaged on an annual or term-by-term basis for a specified number of days. In this way, students are exposed to a wide variety of specialist skills, creative models and critical opinions, whilst continuity of academic progress is ensured by the Heads of Department. The Art School's non-academic activities (including administration, finance and development), are run by a small administrative team reporting to the Head of Resources and Operations.

RISK MANAGEMENT

The Trustees have assessed the major risks to which the Art School is exposed. In particular, these relate to: academic standards and reputation; student recruitment and financial sustainability; and compliance with statutory and regulatory requirements, in particular those relating to: Office for Students Registration; Course validation and designation; Home Office Student Visa Sponsorship Duties; General Data Protection Regulations; and Health & Safety.

All areas of risk are monitored through the Art School's governance structure which identifies the lines of responsibility and decision making for each aspect of the Art School's operation, with the Audit and Risk Committee responsible for reviewing Risk Registers and reporting to the Board.

The Trustees and Senior Management Team ensure that the Art School's operations are protected against significant risk through annual monitoring, action planning and risk assessment procedures. The Art School has comprehensive insurance cover against key areas of risk; in addition to Public Liability Insurance cover of up to £10m and Directors' Liability cover of up to £2m, the Art School also has a business interruption insurance covering up to 24 months of fee income. The Art School's accommodation is insured by the Property Trust, at its full re-instatement value.

In addition, as part of the Office for Students application process, the Art School devised and put in place a Student Protection Plan, which details how the Art School will support students to complete their studies, should the Art School face an extreme challenge leading to total or practical closure.

The Board is satisfied that systems are in place to mitigate, or control where possible, the Art School's exposure to the risks mentioned above.

Governance, structure and management (continued)

FUNDRAISING STATEMENT

The Art School adheres to good standards of ethical fundraising. Its Gift Acceptance Policy was reviewed and revised during 2021-22 and formalises the Art School's practices and ethical fundraising position. The Art School greatly values the support it receives from donors. The majority of its donations are received from institutions, which the Art School approaches from time to time. A small number of donations are received from individuals, including student alumni, who are approached from time to time via written correspondence, email or at events.

The Art School does not approach individuals for donations who are not known by the Art School, and does not canvas on the street for donations. The Art School does not employ any third parties to fundraise on its behalf, and no complaints have been received about its fundraising activity. Donors' personal data is not shared with any third party, and is stored safely and securely in line with the General Data Protection Regulations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

A Statement of Trustees' responsibilities is included in the Statement of Corporate Governance and Internal Control.

BOARD OF TRUSTEES

The members who are in office at the date of this report are listed on page 1 with their dates of new appointment and resignation since 1 September 2021.

No Trustee has received any remuneration for services as a member of the Board (2021 - none).

The Statement of Corporate Governance and Internal control sets out the Trustees who were in office for the year ended 31 August 2022 and up until the date of approval of the financial statements (unless otherwise indicated).

OBJECTIVES AND RELEVANT POLICIES

The Art School's objectives are set to reflect its educational aims and ethos. In setting these, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and to its supplementary benefit guidance on fee charging. The Art School's key objectives for the year included:

• to ensure continuity of learning for its students notwithstanding the challenges presented by the COVID-19 pandemic;
• to ensure ongoing full compliance with Office for Students expectations, the UK Quality Code and other relevant legislation;
• to consolidate its Conservation offer following the recent introduction of a new subject area of book and paper conservation and consider further opportunities for expansion of its academic portfolio;

Governance, structure and management (continued)

OBJECTIVES AND RELEVANT POLICIES (CONTINUED)

• to continue engaging further in public facing initiatives, in collaboration with other organisations, to raise the Art School's profile and engage actively in the broader dialogue about art, craft and education;
• to continue to nurture and extend the number of high-quality partnerships and initiatives for student participation and engagement, and to support the development of professional practice and progression into employment upon graduation;
• to enhance further the availability of bursary support and financial assistance for students with financial needs; and
• to work closely with the Property Trust on progressing with the development of the Art School's Kennington site and student facilities.

ACCESS AND EQUALITY AND DIVERSITY

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects. It believes in the importance of a diverse student community. The Art School charges fees at a level commensurate with the majority of other institutions that offer higher education in art and design. Not all of the Art School's students are eligible for student loan support, so it seeks to provide financial support through bursaries from its own investment income, from funds raised specifically for this purpose from a wide range of charitable sources and by supporting students in their own search for financial support. The Board's policy is to provide fee bursaries on the basis of need and educational ability, subject to such restrictions as may have been imposed by the donors of the funds at its disposal, and within the capacity of the funds available.

The Art School is committed to promoting and upholding equality and diversity and is committed to a working environment which is free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, disability or age. It anticipates the needs for a diverse range of learning styles and makes reasonable adjustments to meet the specific needs of students and staff who are, or become, disabled, functionally disabled or possess some other protected status.

INVESTMENT

The Art School's investments are managed by Cazenove Capital Management Limited. The Art School has a portfolio of investments with a market value including cash as at 31 August 2022 of £1,582,720 (2021: £1,609,826).

There are no extra-statutory restrictions on the Art School's power to invest. The investment strategy is set by an Investment Committee reporting to the Board of Trustees and considers capital growth and income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to provide the level of income sought by the Trustees whilst endeavouring to ensure that longer term capital values are more than cover the impact of inflation. The performance of the portfolio is reviewed regularly by the Investment Committee.

Activities and achievements

STUDENT NUMBERS AND ACADEMIC ACHIEVEMENTS

The number of students enrolled at the beginning of the 2021/22 academic year totalled 271 (258 in 2020/21).

Foundation Studies
85 students (79 in 2020/21) successfully completed their year of study and were awarded a Foundation Diploma in Art & Design from UAL Awarding Body (26 with Distinction), with many able to secure a place on the university course of their choice.

Fine Art
20 students (20 in 2020/21) were awarded BA (Hons) degrees in Fine Art; 10 Firsts and 10 Upper Seconds. 1 Student was awarded a Graduate Diploma (with Distinction).
21 students were awarded MA Fine Arts degree; 14 with Distinction; 7 with Merit.

Conservation
4 students (4 in 2020/21) were awarded BA (Hons) Conservation Studies; 1 First, 2 Upper Seconds and 1 Lower Second. 4 students were awarded a Graduate Diploma (3 with Distinction).
1 student was awarded MA Conservation Studies (with Distinction).

Historic Carving
3 students (5 in 2020/21) were awarded BA (Hons) Historic Carving; 2 Firsts, 1 Upper Second. 2 students were awarded a Graduate Diploma (with Distinction). 1 student was awarded a Diploma of Higher Education

Art and Material Histories
5 students were awarded MA Art and Material Histories; 4 with Distinction, 1 with Merit.

BURSARIES AND SCHOLARSHIPS

The continued generosity of the Art School's many benefactors enabled fee bursary awards of £274,311 (£224,825 for the previous 12 months). Contributions made by way of direct applications for support by students amounted to an additional £31,155 for the academic year (£20,583 in the previous year). In the course of the 12 months to 31 August 2022, fee bursaries were given to a total of 61 students (57 in the previous year), representing more than one in three students on the Art School's undergraduate and postgraduate courses towards which bursary and scholarship support is primarily directed. New pledges for coming years have also been secured. Trustees continue to regard increasing the amount of bursary and scholarship funding available for students as a priority.

Activities and achievements

ACADEMIC PORTFOLIO DEVELOPMENTS

This was the second year for the new subject area in the Conservation of Books and Paper following the successful validation of the new awards and fundraising for new specialist facilities. The second year of the course successfully recruited and additional experts were recruited to deliver this important specialist area, securing important skills and knowledge for the UK's heritage sector.

The move of MA Fine Art from the Georgian studios to the first floor of the BT Building which had taken place in the preceding year was consolidated and the new studios continued to provide excellent accommodation for the Art School's students. Following the extension of both undergraduate and postgraduate courses in the previous year to mitigate the impact of the Covid pandemic, the 2021/22 academic year reverted to a pre-pandemic pattern.

As part of the Royal Literary Fund Fellowship Scheme, the Art School continued to host a professional writer for two days each week during term time. The Writing Fellow offered individual appointments where students could discuss all aspects of their writing, such as structuring an argument, making the essay clearer and improving style.

In October 2021, the Art School welcomed more than 100 UK and international delegates to the "Material Matters: Clay" online symposium, as part of the delayed 2021 London Craft Week and received outstanding feedback about our speakers. Recordings of the presentations are now available to view on the Art School's YouTube channel. The Art School was delighted to take part in London Craft Week 2022, with a two-day event on site exploring the properties, uses and conservation of paper, marking the launch of our 2022-23 research programme, Material Matters: Paper. The events included paper demonstrations from students and tutors and print-making workshops in our historic etching room. Our now traditional two-day carving competition celebrated the life and work of Grinling Gibbons in the tercentenary year of his death.

Extending our Outreach activities is a theme of the new Strategic Plan and in January the Art School was represented at the UK Universities Fair in Madrid, organised by the British Council. This opportunity to meet students from schools in Madrid was our first face-to-face recruitment activity since Covid restrictions began. In Summer 2022, we were delighted to offer events for the first time as part of London Careers Festival organised by the City of London.

While 2021/22 saw a consolidation of the Art School's validated course offer, its summer school of short taster courses was increased and demonstrated potential for future expansion. In line with its strategic objective of increasing its outreach activity and community profile a Saturday School for local young people (to be run in conjunction with the National Saturday Club) was planned, and a fundraising campaign to support it was successful. The first Saturday School students were expected to commence in October 2022.

Activities and achievements

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES

The 2021 MA Show in October featured artworks from over 30 exhibitors in a celebration of the outstanding work of our postgraduate Fine Art, Art and Material Histories and Carving students as well as current work from our Co-Chairs of Students and Fellows.

In May 2022 the Art School held its annual Foundation Show, a celebration of the outstanding work of our 2022 graduates studying the Foundation Diploma in Art & Design.

During their year of exploration students had interrogated and extended their art practice creating an impressive body of work displayed in the Show.

A day of celebration of achievement took place at the end of June as our final year undergraduate students graduated from the Art School in our annual Degree Show Ceremony and Prize Giving. Exhibiting students demonstrated exceptional commitment, resilience and creativity during the pandemic, and we were very proud to be showcasing their work. 23 prizes were awarded to graduates and 15 prizes were awarded to continuing students from across the courses. Five of those prizes were towards international study and research trips, others included recognition of drawing and printmaking skills.

Conservation

- MA Conservation student, Louise Davison, was appointed to the Board of Trustees of The Institute of Conservation (Icon) as an emerging professional.
- The research findings of students in the final year of BA Conservation and students studying MA Conservation were presented at the online Conservation Symposium, a public-facing annual event in April to which professionals and interested parties from the world of Conservation were also invited.
- BA (Hons) Conservation: Books and Paper students worked onsite at Strawberry Hill House on a preventive clean of Walpole's Library.
- At the end of November second-year BA (Hons) Conservation: Books and Paper students visited the new studio at Lambeth Palace Library to see inside the facility and were able to study some incredible and diverse objects selected by the Palace Conservation team.
- In December Conservation students supported the curatorial team at Watts Gallery to safely clean their picture frames and large scale sculpture collection.
- For the stone module of the second year of BA Conservation: Stone, Wood and Decorative Surfaces, students were assigned a commemorative marble tablet that had been stored in the crypt at Kensal Green Cemetery, one of the "Magnificent Seven" cemeteries that opened within London in the 1830's and 1840's. Students assessed, proposed a treatment and carried out conservation work.
- The Department was pleased to contribute our knowledge and expertise to the ICON Environmental Sustainability Network Spring Twitter Conference.

Activities and achievements (continued)

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES (CONTINUED)

- In March, second year Conservation students on our Stone, Wood and Decorative Surfaces BA course presented the findings of a conservation project undertaken at Southwark Cathedral. The students carried out investigations of three areas of the Cathedral, looking at the history of each area, the use of replacement stone and the condition of the building fabric. Each group presented their findings plus recommendations for the care, maintenance and conservation of their area.
- Books and Paper Conservation student and QEST Scholar Jonathan Wright was included in the exhibition 'The Art of the Exceptional, A Jubilee Celebration of Makers' at Fortnum & Mason.
- Over the Easter Break, students of our BA Conservation: Stone, Wood and Decorative Surfaces course worked on an additional special project to make nearly 100 feet of cast 'composition' ornament for fabricating a 'Watts' style frame for the Conservation and Technical Research Department at the National Gallery of Canada.
- In May second year BA Books and Paper Conservation students enjoyed much-anticipated site visits to a leather tannery, leather conservation centre and The National Archives to support their studies.
- In June MA Conservation student Nicola Shreeve was announced as a QEST Scholar, with funding support towards her studies and project to conserve the monument to Sir Richard Pecksall (d.1571) in the Chapel of St Edmund, Westminster Abbey.

Carving

- In November carpenter and framer and Society for the Protection of Ancient Buildings Fellow, Toby Slater, took up a two-week placement in the Carving Department, learning ornamental woodcarving alongside our Woodcarving and Gilding students. Our Carving students visited the SPAB's Old House Project in Boxley, Kent to learn more about the Society's work saving at risk buildings and to further contextualise their own learning through this live project. The Art School is delighted that our two organisations are able to share and exchange knowledge and to promote the teaching of critical craft skills in the UK that are vital to maintaining our built heritage for the future.
- A new collaborative project with Knole, a National Trust Property in Kent, began for a student to carve reproductions of two 17th century English elbow chairs for the collection.
- The Historic Buildings, Parks and Gardens 2021 event took place in November returning to the QEII Centre in Westminster alongside the AGM of the Historic Houses Association. Students and staff demonstrated the stone carving and lettering skills to visitors.
- 'The Last Shift', a provoking bas-relief sculpture by 2021 BA Carving: Architectural Stone graduate Dan Russell, was donated for public display by the Freedom From Torture charity to the Guy's and St Thomas' Hospital Trust, in acknowledgement of the tremendous work of NHS staff during the Coronavirus pandemic.
- BA Carving: student Clive Bates won the Art School-wide annual Fishmongers' Company Menu Design Prize. His design will be used by the Company throughout the rest of the year at their events.
- Second year BA (Hons) Historic Carving: Woodcarving and Gilding student Jo Grogan appeared on BBC Country File at Compton Verney discussing the work of Grinling Gibbons and the importance of training and the passing on of specialist craft skills from generation to generation.

Activities and achievements (continued)

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES (CONTINUED)

BA Conservation: Stone Wood & Decorative Surfaces student Elsa Ray-Illiffe working on the project towards fabricating a 'Watts' style frame for the National Gallery of Canada

MA Carving graduate Boris Burroughs' completed statue of St Dominic for the Cours Notre Dame des Victoires

BA Fine Art student Finn Johnson, one of the winners of the 2022 Freelands Painting Prize

- In March Jo was awarded the bronze award in the 3D modelling category at The Goldsmiths' Craft and Design Council Awards and in summer 2022 took part in the television series the Prince's Master Crafters creating a piece for the collection at Highgrove House.
- Woodcarving and Gilding graduates Jim Patrick and Anastasya Martynova were included in Homo Faber 2022 in Venice. This celebration of the best of European, and on this occasion Japanese, craftsmanship comprised 15 exhibitions, 22 curators and designers, 12 Japanese National Living Treasures and over 850 unique works crafted by more than 400 designers and artisans from 43 countries at Fondazione Georgio Cini, organised by the Michelangelo Foundation.
- In April a number of carving students and graduates were shown in the 'Art and Ornament Exhibition' at Dalkeith Palace, a celebration of present-day art and craft in collaboration with the Master Carvers' Association and friends, to commemorate and celebrate the legendary Baroque Master, Grinling Gibbons.
- Third year BA: Carving: Woodcarving and Gilding student Daniel Ponde won first place in the National Joiners and Ceilers Annual Competition 2022 in the woodcarving category.
- Several 2022 graduates of our BA (Hons) Historic Carving: Architectural Stone Carving were exhibited by Joanna Bird Gallery following the degree show exhibition.
- Two Temple Place invited us to contribute the skills and knowledge of one of our tutors to their inaugural Artists Research Residency programme and tutor Sarah Davies spent the day with the artists exploring the importance of historic hand skills such as woodcarving.
- 2021 MA Carving graduate Borys Burrough was awarded a commission following the Art School's open call for recent woodcarving alumni, to create a carved, polychromed statue of St Dominic, for the Cours Notre Dame des Victoires, a Dominican Convent in Northern France to mark the 800-year anniversary of the Saint's death.

Activities and achievements (continued)

STUDENT SUCCESSES, COLLABORATIONS AND OTHER ACTIVITIES (CONTINUED)

Fine Art

- In November, alumni, students, tutors and fellows exhibited work at the 2021 Woolwich Contemporary Print Fair. The Art School's annual Prize awarded to an external printmaker exhibiting at the fair was given to Sue Wyllie providing 3 days in the Art School Print Room working alongside tutors, fellows and students.
- 2019 MA Fine Art Alumna Maddie Yuille was a finalist in the 2021 Ingram Collection Prize and exhibition.
- A CGLAS Painter-Stainers Decorative Surfaces Fellow for 2021/22 was named as MA Fine Art graduate Yuki Aruga. The fellowship focuses on historic techniques such as gilding, fresco painting, trompe l'oeil and scagliola and provides specialist training in traditional processes with professional mentoring from the Painter-Stainers.
- MA Fine Art students Emerson Pullman and Thomas Cameron and recent BA Fine Art graduate Sina-Sophia Schmidt were selected for London Paint Club's inaugural exhibition in January and February 2022.
- We were pleased to advise on a new events programme called In Practice launched by the Painter-Stainers' Company to supplement professional practice learning for Fine Art students, graduates and creative practitioners.
- In May 2022 third year BA Fine Art student Finn Johnson was announced as one of the winners of the 2022 Freelands Painting Prize, chosen from nominations from Art Schools across the UK. The Art School is very proud to have had a winner each year since the Prize began.
- MA Fine Art student Harriet Gillet had a two person show at Soho Revue gallery in June 2022.
- MA Fine Art Part-Time Year 1 students presented an offsite 4-day exhibition at The Pavilion Mile End entitled 'Meet Me Halfway' and held an in-conversation event with Art Critic (and now Art School Trustee), Tabish Khan.
- BA Fine Art Year 1 and 2 students self-organised an offsite interim show of their work at Ugly Duck near London Bridge as part of their professional practice training.
- MA Fine Art student Sarah Lang was selected for the prestigious Bloomberg New Contemporaries touring show 2022 with her video work exploring the history of women's football.
- MA Fine Art student Jen Roper was shortlisted for the Paint Britain Contemporary British Painting Prize 2022 and was shortlisted for the Wells Art Contemporary Prize 2022.

Financial Review

RESULTS FOR THE YEAR

The Art School recorded a deficit before net losses on investments of £151,351 (2021: deficit of £144,329) for the year. Unrestricted funds recorded a deficit, reflecting continuing additional costs arising from the Covid-19 pandemic, extraordinary restructuring costs and a reduction in unrestricted donations during the year.

Financial Review (continued)

RESULTS FOR THE YEAR (CONTINUED)

Realised gains of £0 (2021: gains of £29,559) and unrealised losses of £74,055 (2021: gains of £148,340) on the Art School's investments were recorded in its restricted and endowment funds.

RESERVES

The Board has examined the requirement for free reserves i.e. those funds not invested in tangible fixed assets, not designated for specific purposes, not restricted and not otherwise committed. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital as the activities of the Art School grow. In the meantime the Trustees have taken the view that the expendable endowments and free reserves (as calculated below) should be considered together and are satisfied that this is in line with the reserves policy. A target of three months' operating expenditure would be deemed appropriate.

FINANCIAL POSITION

The balance sheet shows total funds of £1,370,525 (2021: £1,595,932). These funds include endowment funds of £872,842 (2021: £1,146,665). Whilst the income from these funds may be used for the general purposes of the Art School, most of the endowment fund balances themselves are currently regarded as long term capital.

Also included in total funds is an amount of £466,593 which is restricted (2021: £428,765). These monies have either been raised for, and their use is restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Details and an analysis of movements in the year of these endowment and restricted funds can be found in notes 15 and 16 to the financial statements.

Unrestricted funds, other than those held within expendable endowments, at 31 August 2022 are in a positive position of £31,090 (2021: positive £20,502). These funds are represented by general fund tangible fixed assets other than investments of £180,961 (2021: £189,986) and by free reserves, inclusive of expendable endowments, of £552,965 (2021: £797,397). The Trustees have considered the position in the context of known future sources of income, and also expendable endowments of £702,836 (2021: £966,851) which are available to provide liquidity to the School if needed, and thus consider the reserves position to be acceptable in the context of the reserves policy.

INVESTMENT PERFORMANCE

During the year to 31 August 2022 the Charity's investments produced an overall income of £49,427 with timing adjustments of £46,523 resulting in a net income of £2,904 (2020/21: £35,309 after adjustment) and a net capital loss of £74,056 (2020/21: gain of £177,900).

Financial Review (continued)

INVESTMENT PERFORMANCE (CONTINUED)

The investment managers continued to invest in accordance with the Trustees' investment policy, which is reviewed by the Investment Committee and the Board annually, and which is based on an ethical investment approach. The Trustees are satisfied that their investment objectives are being met by the performance of the investments in the context of existing economic and investment conditions.

GOING CONCERN

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements and have considered the following:

- Latest operational plan for the remainder of the current 2022/23 academic year in response to ongoing external challenges;
- Revised budget and financial forecasting for the financial year 2022/23 and its impact on the financial plan associated with the Strategic Plan for the period 2022-2027
- Steps taken in pursuit of the objectives of the 2022-27 Strategic Plan, including in ensuring its student recruitment targets are met.

The Art School management's foremost priority continues to be to safeguard the quality of the student experience and ensure student progression. Withdrawals and Interruptions of Studies have remained at very low levels and the reputation of the Art School continues to rise such that the 2022/23 intake has proved to be its largest yet. At the point of writing, the recruitment outlook for the 2023/24 academic year is stable based on the level of interest and number of applications received, suggesting that recruitment and therefore fee income targets for 2023/24 should be achieved.

In order to mitigate current financial challenges operational support remains a focus of the Art School's successful fundraising activity for the current year, but the Strategic Plan aims to decrease its dependence on such activity for core funding.

In order to provide additional working capital support if needed, the Art School took advantage of the Coronavirus Business Interruption Loan Scheme to secure a CBIL loan of £250,000, repayable over a period of 6 years from financial year 2021/22. At the year-end £176,673 of the Art School's £1,188,823 cash holdings were derived from the CBIL loan.

The Art School held free reserves of £552,965 as at 31 August 2022 (2021: £797,367) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Future Plans

The Art School has adopted a Strategic Plan 2022-2027 which sets out the targets by which the Art School intends to meet its Strategic Goals of:

i) Promoting academic excellence and increased learning opportunities in its areas of expertise;

ii) Enhancing its student and staff experience by ensuring its infrastructure supports its ambitions as a Centre of Excellence; and

iii) Safeguarding and championing the Art School's ethos and values by ensuring sustainability and supporting future ambitions

Under the last of these Goals, the Art School's objectives are:

1. to support sustainability through improved Financial Performance by: achieving a sustainable operational surplus to provide for capital development, special projects and contingencies; containing staff and other costs to levels of income in proportion with areas of growth; and ensuring departmental budgeting is strategically driven to support our vision; and
2. to enhance financial sustainability through increased Fundraising and Development activity by: expanding the number of external funders and partnerships to support the Art School's bursary and capital development needs and enhance its reputation and profile; raising the Art School's public profile through increased partnerships, external projects and media coverage and increasing our presence and activity within the local community; and broadening the basis for fundraising appeals through a focus on defined special projects.

2022/23 will constitute the first year of the Strategic Plan and the Art School's planning processes have aimed to ensure it will provide a suitable basis from which the Plan's objectives can be pursued.

The Charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Approved by the Board on 25th January 2023 and signed on its behalf by:

Chair

Principal and Accountable Officer

Statement of corporate governance and internal control Year to 31 August 2022

The following statement is provided to enable readers of the annual report and financial statements of City and Guilds of London Art School Ltd. to obtain an understanding of its governance and legal structure. These are detailed and governed by the How We Work: Governance and Management Handbook.

The statement covers the period from 1 September 2021 to 31 August 2022 and up to the date of the approval of the annual report and financial statements.

The Art School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2018 in so far as it is applicable to the Higher Education Sector, and the Charities Act 2011.

2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities, in accordance with the Higher Education Code of Governance.

We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code, the Higher Education Code of Governance and the Charities Act 2011.

The Board of Trustees recognises that as a body entrusted with private funds, charitable funds and public funds where received, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

City and Guilds of London Art School Ltd. is a charitable company, limited by guarantee, not having a share capital.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below.

The Board of Trustees (continued)

Trustee	Appointed / Resigned
Andrew Allen KC	
Laurence Benson (Vice-Chair)	
Nina Bilbey (Staff Trustee)	Resigned 30/09/2022
Jamie Bill (Chair)	
Dr Virginia Brooke	
Dr Caroline Campbell	
Edward Campbell-Johnston	Appointed 26/10/2022
Gabriel Gbadamosi	Resigned 31/12/2021
Martin Hatfull	
James Kelly	
Tabish Khan	Appointed 26/10/2022
Tamiko O'Brien (Principal and Accountable Officer)	Resigned 31/08/2022
Michael Osbaldeston	
Dr Michael Paraskos (Staff Trustee)	Appointed 01/10/2022
Prof Jane Rapley OBE	
Theo Ritzinger (Student Trustee)	Appointed 01/10/2022
Tina Roe (Student Trustee)	Resigned 30/09/2022
Prof Elizabeth Rouse OBE	
Dr Lois Rowe (Principal and Accountable Officer)	Appointed 01/09/2022
Alexander Stitt	
Helen Sunderland-Cohen	Appointed 26/10/2022
Benjamin Tucker	

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. Three members of the Board of Trustees have interests within the organisation, including two salaried members of staff, the Principal (ex-officio Trustee), the staff representative Trustee (elected), and the Student representative Trustee (also known as Chair of Students); none of them receive remuneration for their services as members of the Board.

The Company Secretary to the Board of Trustees maintains a register of financial and personal interest of the members of the Board of Trustees, updated annually.

Statement of trustees' responsibilities

The Trustees (who are also directors of the Art School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Statement of trustees' responsibilities (continued)
Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees are also responsible for ensuring that the School continues to meet the conditions for Office for Students registration, and also safeguarding freedom of speech and academic freedom.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Meeting Procedures
Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Reports include financial performance of the organisation together with other information such as recruitment, academic and quality matters, personnel related matters, and health and safety matters. The Board of Trustees met 5 times in 2021/22. Full minutes are kept of all meetings.

Meeting Procedures (continued)
The Art School has a strong and independent non-executive membership on the Board of Trustees and no individual or group dominates its decision-making process. The organisation is satisfied that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility between the roles of the Chair and Accountable Officer.

Appointment to the Board of Trustees
Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole, as advised by the Nominations Committee.

Board of Trustees Performance Oversight
The Board of Trustees exercise robust scrutiny of performance and challenge where necessary. Board meetings provide the opportunity for thorough discussion of issues arising. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business.

A review of individual Board members' roles and contributions is conducted annually by the Chair.

Committees
The Board of Trustees receives advice on the conduct of its business from four committees and the Academic Board. Each committee has its own terms of reference which have been approved by the Board of Trustees. This committees are: Audit and Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee. In addition, a Finance Working Group informs strategic planning, the Principal's Business Planning Advisory Group provides the benefit of Trustee-level expertise and experience in exploring the feasibility of new business opportunities, initiatives or broader issues, and a Joint Development Advisory Working Group that supports the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

Committees (continued)

	AUDIT and RISK COMMITTEE	INVESTMENT COMMITTEE	NOMINATIONS COMMITTEE	REMUNERATION COMMITTEE
Frequency of meetings	Minimum 4 p.a.	2 p.a.	Minimum 2 p.a.	Minimum 2 p.a.
Chair	Laurence Benson	James Kelly	Caroline Campbell	Laurence Benson
Clerk	Secretary to the Board	Director of Resources and Operations	Secretary to the Board	Secretary to the Board
Trustees	Virginia Brooke Martin Hatfull James Kelly Jane Rapley Michael Osbaldeston	Laurence Benson	Andrew Allen Jamie Bill Gabriel Gbadamosi Alex Stitt Ben Tucker Staff Trustee Student Trustee	Andrew Allen Jamie Bill Martin Hatfull Ben Tucker Staff Trustee Student Trustee
Non-Trustee Members	Humphrey Carey (Property Trust) Tim Statham	Humphrey Carey (Property Trust) Rupert Asquith		
In attendance	Principal (ex-officio Trustee) Brendan Finucane (former Trustee) Director of Resources and Operations Head of Finance	Head of Finance Nick Orr, Cazenove Capital	Principal (ex-officio Trustee)	Principal (ex-officio Trustee) Director of Resources and Operations Head of Finance

Audit and Risk Committee

The Audit and Risk Sub-Committee is responsible to the Board of Trustees in discharging its responsibilities for reporting its independent opinions on the risk management, controls, governance, and value for money arrangements of the Art School.

The Committee is responsible for the following:

- To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings of the audit along with the included management letter and management responses.

Committees (continued)

Audit and Risk Committee *(continued)*

- To review on a regular basis the Art School's Risk Register, advise the Board of Trustees of any significant changes/additions and to escalate any serious concerns to the Board
- To commission audit reviews of anything that could potentially threaten or adversely affect the accomplishment of the aims and objectives of the Art School, or which potentially could put the Art School at financial or reputational risk.
- To ensure, on behalf of the Board of Trustees, that sound financial and governance controls are in place, and effectively implemented; including the endorsement of the Art School's Financial Regulations, Reserves Policies and arrangements for risk and business continuity management.

A **Site and Environment sub-committee** reporting to the Audit and Risk Committee is tasked with overseeing all matters relating to risk management and compliance with legal obligations relating to the physical, working and educational environments, including student and staff welfare provision and the Health and Safety of all the Art School's members and visitors.

Remuneration Committee

The Remuneration Committee provides oversight of strategic staffing matters and determine policy on staff remuneration; and has delegated authority of the Board to determine the schema for staff pay increases and to decide the remuneration of the Principal and Senior Members of Staff.

Investment Committee

The Investment Committee oversees the management of the Art School's investment portfolio. Under delegated authority of the *Board of Trustees*, the *Investment Committee* is responsible for advising the Board on the appointment of the investment managers; for monitoring the performance of the portfolio and the effectiveness of the investment strategy; and for ensuring that the Art School's investments are handled responsibly and ethically.

Nominations Committee

The Nominations Committee oversees the process for the recruitment and appointment of members of the Boards of Trustees and advises the board overseas the process for review of governance effectiveness. It keeps under review policies and processes relating to membership of the Board of Trustees including induction, training and development of the Trustees.

Committees (continued)

Academic Board

The Academic Board is established by the Board of Trustees with delegated powers to oversee the Art School's academic activities on its behalf and to be the institution's supreme academic authority. Chaired by the Principal, the responsibilities delegated to Academic Board are to:

- Uphold the academic standards of Art School's courses and the quality of its teaching and student welfare provision.
- Devise, maintain, amend and, in individual cases suspend, the Student Regulations.
- Recommend the appointment of External Examiners for validated provision.
- Appoint External Examiners for non-validated provision.
- Confirm the students' results for those courses delivered independently of a validating partner.
- Elicit, receive and act upon student feedback.
- Oversee all internal review and evaluation processes including periodic reviews by the Office for Students (via the QAA).
- Work to foster excellent relationships with the Art School's validating partners.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. Such a system incorporates risk management and is designed to manage the risk of failure to achieve academic, operational and financial objectives and is designed to provide reasonable assurance against material misstatement or loss, covering such areas as educational standards, safeguarding, IT and data protection, Health and Safety and Estates, HR matters and finance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the funds received and assets. The Principal is responsible for reporting to the Board of Trustees, through the Audit and Risk Committee, any material weaknesses or failures in internal control.

The system of internal control

The system of internal control is designed to manage risk to a reasonable level and is based on an on-going process of identifying and prioritising the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Internal Control (continued)

The system of internal control *(continued)*
The system of internal control has been in place at the organisation for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and governance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that an effective formal on-going process for identifying, evaluating and managing the Art School's significant risks has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

The risk and control framework
The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- A comprehensive register of risks, updated and reviewed on a semi-annual basis
- annual budgeting with an annual budget reviewed and agreed by the Board of Trustees
- periodic reviews by the Board of Trustees of management accounts and financial reports which present and assess financial performance against budget and performance indicators

Review of effectiveness
As the Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the external auditors;
- the work of the Head of Finance and other staff who have responsibility for the maintenance and development of the internal control framework;
- comments made by the organisation's financial statements and regularity auditors in their management letters and other reports; and
- advice provided by Trustees working through the Committees.

There are no significant internal control weaknesses reported for the period.

Internal Control (continued)

Review of effectiveness *(continued)*

The senior management team regularly reviews key performance and risk indicators and considers possible control issues brought to their attention. The Audit and Risk Committee receives regular reports, which include recommendations for improvement, and conducts an annual review of the arrangements for internal control. The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on above and reports by the Principal, the Board of Trustees is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2022 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance

The organisation has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisation's financial regulations. As part of our consideration we have had due regard to our financial regulations. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern

Details on Board's going concern assessment are set out on page 16.

Approved by order of the Board of Trustees on 25th January 2023 and signed on its behalf by:

Jamie Bill
Chair

Dr Lois Rowe
Principal and Acccountable Officer

Independent auditor's report to the members of City and Guilds of London Art School Limited

Opinion

We have audited the financial statements of City and Guilds of London Art School Limited ('the charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 2022 and of its income and expenditure, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with the financial reporting standards (FRS102); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Opinions on other matters prescribed by the Office for Students

In our opinion, in all material aspects:

- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- where applicable, funds provided by the Office for Students and by Research England have been applied in accordance with the relevant terms and conditions; and
- meet the requirements of the latest Office for Student's Accounts Direction.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

Matters on which we are required to report by exception (continued)

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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.

We have nothing to report in respect of the following matters where the Office for Students requires us to report to you where:

- the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements, has been materially misstated.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Auditor's responsibilities for the audit of the financial statements (continued)
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;

- used data analytics to investigate the rationale behind any significant or unusual transactions;

- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and

- performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

Auditor's responsibilities for the audit of the financial statements (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Hugh Swainson, Senior Statutory Auditor
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31 January 2023

Statement of financial activities (including income and expenditure statement, which includes statement of changes in reserves) Year to 31 August 2022

	Notes	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2022 Total funds £	Year to 31 August 2021 Total funds £
Income and expenditure						
Income and endowments from:						
Charitable activities						
Art School fees	1	2,418,389	—	—	**2,418,389**	2,119,330
Donations and legacies		150,535	409,021	—	**559,556**	501,795
Investment income & interest received	2	(7,521)	10,425	—	**2,904**	81,832
Other		46,058	—	—	**46,058**	89,774
Total income		2,607,461	419,446	—	**3,026,907**	2,792,731
Expenditure on:						
Charitable activities						
. Costs of operating the Art School						
.. Teaching staff and personnel	6	1,077,003	—	200,000	**1,277,003**	1,126,557
.. Support costs	4	1,009,746	515	1,907	**1,012,168**	949,150
.. Premises		441,045	—	—	**441,045**	408,934
.. Promotions and publicity	3	69,079	—	—	**69,079**	87,067
. Bursaries, scholarships and prizes	5	—	366,413	12,550	**378,963**	365,352
Total expenditure		2,596,873	366,928	214,457	**3,178,258**	2,937,060
Net (expenditure) income before gains on investments and transfers	5	10,588	52,518	(214,457)	**(151,351)**	(144,329)
Net gains/(loss) on investments	10	—	(14,690)	(59,366)	**(74,056)**	177,900
Net (expenditure) / income and net movement in funds		10,588	37,828	(273,823)	**(225,407)**	33,571
STATEMENT OF CHANGES IN RESERVES						
Net (expenditure) / income and net movement in funds		10,588	37,828	(273,823)	**(225,407)**	33,571
Reconciliation of Funds						
Fund balances brought forward on 1 September 2021		20,502	428,765	1,146,665	**1,595,932**	1,562,361
Fund balances carried forward at 31 August 2022		31,090	466,593	872,842	**1,370,525**	1,595,932

All of the charitable company's activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	9		**180,961**		189,986
Investments	10		**1,582,721**		1,609,826
			1,763,682		1,799,812
Current assets					
Stocks	11	**23,826**		24,472	
Debtors	12	**157,516**		254,407	
Cash at bank and in hand		**1,188,823**		924,255	
		1,370,165		1,203,134	
Creditors: amounts falling due within one year	13	**(1,628,316)**		(1,226,458)	
Net current liabilities			**(258,151)**		(23,324)
Creditors: amounts falling due after one year	14		**(135,006)**		(180,556)
Total net assets			**1,370,525**		1,595,932
Represented by:					
The Funds of the Charity					
Endowment funds	15		**872,842**		1,146,665
Income funds:					
Restricted funds	16		**466,593**		428,765
Unrestricted funds:					
General fund			**31,090**		20,502
			1,370,525		1,595,932

Approved by the Board on 25th January 2023 and signed on its behalf by:

JAMIE BILL.

City and Guilds of London Art School Limited: A company limited by guarantee, Company Registration No. 07817519 (England and Wales)

Statement of cash flows 31 August 2022

	Notes	Year to 31 August 2022 £	Year to 31 August 2021 £
Net cash flows from operating activities	A	**342,476**	217,795
Net cash flows from investing activities	B	**(152,996)**	76,881
Change in cash and cash equivalents in the year		**189,480**	294,676
Cash and cash equivalents at the beginning of the year		**1,033,762**	739,086
Cash and cash equivalents at the end of the year	C	**1,223,242**	1,033,762

Notes to the statement of cash flows for the year to 31 August 2022

A Reconciliation of net income (expenditure) to net cash provided by operating activities

	2022 £	2021 £
Net expenditure	**(151,351)**	(144,329)
Depreciation charge	**45,310**	48,891
Dividends, interest and rents from investments	**(2,904)**	(81,832)
Effect of capitalisation of investment manager's fees	**(2,422)**	(1,794)
Decrease (increase) in stocks	**645**	(2,080)
Decrease (increase) in debtors	**96,892**	(4,731)
Increase in creditors	**356,306**	403,671
Net cash provided by operating activities	**342,476**	217,795

B Cash flows from investing activities:

	2022 £	2021 £
Dividends and interest from investments	**2,904**	81,832
Purchase of tangible fixed assets	**(36,285)**	(22,285)
Payments to acquire investments	**(119,615)**	(508,635)
Receipts from the disposal of investments	**—**	525,969
Net cash (used in) provided by investing activities	**(152,996)**	76,881

C Analysis of cash and cash equivalents

	31 August 2022 £	31 August 2021 £
Cash at bank and in hand	**1,188,823**	924,255
Cash held by investment managers	**34,419**	109,506
	1,223,242	1,033,761

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the latest Office for Students' Accounts Direction.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- the provision against doubtful and bad debts in respect to Art School fees; and
- estimates in respect of accrued expenditure.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Art School held free reserves of £552,965 as at 31 August 2022 (2021: £797,367) inclusive of expendable endowments available to provide additional financial support and liquidity to the Art School The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School now holds expendable endowments totalling £702,836 (2021: £966,851). These expendable endowments are available to provide liquidity to the Art School if needed.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Income

Income is recognised in the period in which the Art School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from restricted funds for scholarships, bursaries and other grants.

Donations are recognised when received and are only accrued where the Art School can demonstrate entitlement to receipt and the amount is measurable and receipt is probable.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

1 The costs of charitable activities involving expenditure on the Art School's primary charitable purpose, i.e. the operation of the Art School. In addition bursaries, scholarships and prizes are given to students.

1.1 The costs of operating the Art School include the costs of premises, teaching staff and personnel, support costs including governance costs, and costs of promoting and publicising the Art School and its activities.

Included within support costs are 50% of the fees incurred in managing the School's investment portfolio. The remaining 50% of investment manager's fees are debited to the value of cash held by investment manager on the balance sheet (note 10) and also deducted from unrealised investment gains.

1.2 Bursaries, scholarships and prizes payable by the restricted funds are included in the statement of financial activities when approved, and when set off against the fees to which they relate.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Tangible fixed assets
All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

Assets are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures and fittings 10% on cost
- Tools and equipment 20% on cost
- Computer and hi-tech equipment 33% on cost
- Website 20% on cost

Debtors
Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the Charity anticipates it will pay to settle the debt.

Investments
Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Financial instruments
The Art School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Art School and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial instruments (continued)
Financial liabilities – trade creditors, accruals, the loan and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks
Stocks, comprising artists' materials for resale, are stated at cost.

Fund accounting
The general fund comprises those monies which may be used towards meeting the charitable objectives of the Art School at the discretion of the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor.

The endowment funds comprise both permanent and expendable endowments. Permanent endowments are monies which must be held as capital indefinitely. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Expendable endowments are monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

Leased assets
Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

Pension costs
Contributions to employees' personal pension plans are debited to the statement of financial activities in the year in which they are payable to the relevant plans.

1 Grant and fee income

	Year to 31 August 2022 £	Year to 31 August 2021 £
Fee income for taught awards	**2,418,389**	2,119,330
Total grant and fee income	**2,418,389**	2,119,330

The School had no other types of grant and fee income as detailed in clause 23 of the Office for Students Accounts Direction.

2 Investment income and interest receivable

	General fund £	Restricted and endowment funds £	Year to 31 August 2022 total £
Income from UK investments			
. Unit trusts and common investment funds	(7,575)	10,425	**2,850**
Bank interest	54	—	**54**
	(7,521)	10,425	**2,904**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2021 total £*
Income from UK investments			
. Unit trusts and common investment funds	*62,075*	*19,678*	*81,753*
Bank interest	*79*	—	*79*
	62,154	*19,678*	*81,832*

3 Promotion and publicity

	General fund £	Restricted and endowment funds £	Year to 31 August 2022 total £
Marketing	69,079	—	**69,079**
	69,079	—	**69,079**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2021 total £*
Marketing	*87,067*	—	*87,067*
	87,067	—	*87,067*

4 Support costs

	General fund £	Restricted and endowment funds £	Year to 31 August 2022 total £
Staff costs	581,712	—	**581,712**
Equipment, IT and depreciation	151,015	—	**151,015**
Student materials and project expenses	103,298	—	**103,298**
Other support costs	146,378	2,422	**148,800**
Governance costs:			
. Legal and professional fees	10,233	—	**10,233**
. Statutory audit services	15,120	—	**15,120**
. Non statutory audit services	1,990	—	**1,990**
	1,009,746	2,422	**1,012,168**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2021 total £*
Staff costs	*515,766*	*25,000*	*540,766*
Equipment, IT and depreciation	*157,010*	—	*157,010*
Student materials and project expenses	*82,204*	—	*82,204*
Other support costs	*135,522*	*1,794*	*137,316*
Governance costs:			
. Legal and professional fees	*16,492*	—	*16,492*
. Statutory audit services	*14,066*	—	*14,066*
. Non statutory audit services	*1,296*	—	*1,296*
	922,356	*26,794*	*949,150*

5 Net expenditure

This is stated after charging:

	General fund £	Restricted and endowment funds £	Year to 31 August 2022 total £
Staff costs (note 6)	1,658,715	200,000	**1,828,715**
Auditor's remuneration:			
. Statutory audit services	15,120	—	**15,120**
. Non-statutory audit services	1,990	—	**1,990**
Depreciation and loss on disposals	45,310	—	**45,310**
Operating lease rentals			
. Land and buildings	295,224	—	**295,224**
. Equipment	29,241	—	**29,241**
Bursaries, scholarships and prizes	—	378,963	**378,963**

5 Net expenditure (continued)
This is stated after charging:

	General fund £	*Restricted and endowment funds* £	*Year to 31 August 2021 total* £
Staff costs (note 6)	*1,642,323*	*25,000*	*1,667,323*
Auditor's remuneration:			
. Statutory audit services	*14,066*	*—*	*14,066*
. Non-statutory audit services	*1,296*	*—*	*1,296*
Depreciation and loss on disposals	*48,891*	*—*	*48,891*
Operating lease rentals			
. Land and buildings	*293,429*	*—*	*293,429*
. Equipment	*28,659*	*—*	*28,659*
Bursaries, scholarships and prizes	*—*	*365,352*	*365,352*

Bursaries were paid to 61 individuals (2021 – 57) during the year.

6 Staff costs and Trustees' remuneration

	Year to 31 August 2022 £	Year to 31 August 2021 £
Staff costs during the year were as follows:		
Salaries	**1,354,962**	1,276,908
Social security costs	**108,214**	99,228
Pension	**63,118**	59,630
	1,526,294	1,435,766
Self-employed tutors	**283,308**	215,944
Other staff costs	**19,113**	15,613
	1,828,715	1,667,323

Staff costs analysed by function were as follows:

	Year to 31 August 2022 £	Year to 31 August 2021 £
Teaching	**1,247,003**	1,126,557
Support, administration and management	**581,712**	540,766
	1,858,715	1,667,323

The above costs include a termination payment paid to one employee comprising £7,569 post-employment notice pay, £5,996 statutory redundancy pay and £1,555 settlement payment.

The average number of employees, all of whom are engaged in the operation of the Art School, analysed by function and on a full time equivalent basis was:

	Year to 31 August 2022	Year to 31 August 2021
Teaching	**30**	27
Support, administration and management	**13**	12
	43	39

6 Staff costs and Trustees' remuneration (continued)

The average number of employees, all of whom are engaged in the operation of the Art School, was 88 (2021 – 83) for the year ended 31 August 2022. Many of these are employed on a part-time basis.

The Principal's total remuneration in the year ended 31 August 2022 was as follows:

	2022 £	2021 £
Basic salary	**72,709**	71,400
Pension contribution	**3,635**	3,570
	76,344	74,970

The Board of Trustees Remuneration Committee chaired by the Chair of the Board of Trustees considers the case for annual pay increases. The Principal is line managed by the Chair of the Board and their salary, together with all other salaries, is considered by the Remuneration Committee with proposals made to the full Board. The Chair of Students (Student Trustee) is a member of the Remuneration Committee while the Principal and Head of Finance now attend to provide information. The Company Secretary is the clerk to the committee. The Principal, Director of Resources and Operations, Head of Finance and Company Secretary are not members of the Remuneration Committee, and do not attend when their own salaries are under consideration. The School has given regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

As at 31 August 2022, the Accountable Officer's basic salary was 2.45 times (2021 – 2.37 times) the median pay of staff, where the median pay is calculated on a full time equivalent basis for all staff contracted on an annual salary basis. There were no performance related payments made to the Accountable Officer in 2021/22.

No Trustees received any remuneration or other emoluments in respect of their services as a member of the Board during the year (2021 – none). In addition to the Accountable Officer, there was one further Trustee who was employed by the School part-time in the year ended 31 August 2022 and received gross pay of £24,133 (2021 - £21,346) and employer's pension contributions of £1,207 (2021 - £1,067) in respect of that employment. No expenses were reimbursed to Trustees during the year (2021 – none). The numbers of employees earning greater than £60,000 during the year were as follows:

	2022 No.	2021 No.
£70,001 - £75,000	**1**	1
	1	1

Pension contributions in respect of these employees amounted to £3,635 (2021 – £3,570).

The aggregate remuneration, including employer's pension contributions paid to key management personnel and employer's national insurance, was £492,237 (2021 – £479,394).

Key management personnel during the year consisted of the Principal, Director of Resources and Operations, four academic Heads of Department, Head of Finance and the Head of Development and External Relations.

6 Staff costs and Trustees' remuneration (continued)

The Art School has purchased insurance to protect itself from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium provided cover of up to a maximum of £2 million.

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2021 between restricted, endowment and unrestricted funds:

	Notes	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2021 Total funds £
Income and expenditure					
Income and endowments from:					
Charitable activities					
Art School fees		2,119,330	—	—	2,119,330
Donations and legacies		224,213	277,582	—	501,795
Investment income & interest received	2	62,154	19,678	—	81,832
Other trading activities		—	—	—	—
Other		89,774	—	—	89,774
Total income		2,495,471	297,260	—	2,792,731
Expenditure on:					
Charitable activities					
. Costs of operating the Art School					
.. Teaching staff and personnel	6	1,101,557	—	25,000	1,126,557
.. Support costs	4	947,356	345	1,449	949,150
.. Premises		408,934	—	—	408,934
.. Promotions and publicity	3	87,067	—	—	87,067
. Bursaries, scholarships and prizes	5	—	355,462	9,890	365,352
Total expenditure		2,544,914	355,807	36,339	2,937,060
Net (expenditure) income before gains on investments and transfers	5	(49,442)	(58,548)	(36,339)	(144,329)
Transfer Between Funds		37,779	—	(37,779)	—
Net gains on investments	10	—	26,608	151,292	177,900
Net (expenditure) / income and net movement in funds		(11,663)	(31,940)	77,174	33,571
Statement of changes in reserves					
Net (expenditure) / income and net movement in funds		(11,663)	(31,940)	77,174	33,571
Reconciliation of Funds					
Fund balances brought forward on 1 September 2020		32,165	460,705	1,069,491	1,562,361
Fund balances carried forward at 31 August 2021		20,502	428,765	1,146,665	1,595,932

8 Taxation

City and Guilds of London Art School Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Fixtures and fittings £	Website £	Tools and equipment £	New computer equipment £	Total £
Cost					
At 1 September 2021	426,453	24,186	221,560	114,536	786,735
Additions	21,921	—	10,226	4,138	36,285
At 31 August 2022	448,374	24,186	231,786	118,674	**823,020**
Depreciation					
At 1 September 2021	267,119	24,186	197,585	107,859	596,749
Charge for year	31,232	—	10,415	3,663	45,310
At 31 August 2022	298,351	24,186	208,000	111,522	**642,059**
Net book values					
At 31 August 2022	150,023	—	23,786	7,152	**180,961**
At 1 September 2021	159,334	—	23,975	6,677	189,986

10 Investments

	2022 £	2021 £
Listed investments and cash		
Opening market value at 1 September	**1,500,319**	1,338,059
Additions	**119,616**	508,637
Disposals	**—**	(496,510)
Capitalised investment manager's fees	**2,422**	1,794
Unrealised investment (losses) gains	**(74,056)**	148,340
	1,548,301	1,500,320
Cash held by investment manager	**34,420**	109,506
Total market value of investments at 31 August	**1,582,721**	1,609,826
Cost of listed investments - 31 August	**1,450,141**	830,155

Listed investments and cash held at 31 August 2022 comprised the following:

	2022 £	2021 £
Multi Asset Fund	**1,548,301**	1,500,320
	1,548,301	1,500,320
Cash held by investment managers	**34,419**	109,506
	1,582,720	1,609,826

All investments were dealt in on a recognised stock exchange.

10 Investments (continued)

At 31 August 2022, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	Market value £
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	**16.5**	**256,072**
Cazenove Charity Multi Asset Fund S Units GBP Distribution	**54.5**	**843,823**
SUTL Cazenove Charity Responsible	**29.0**	**448,405**

At 31 August 2021, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	*Market value £*
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	*16.0*	*258,100*
Cazenove Charity Multi Asset Fund S Units GBP Distribution	*40.7*	*654,482*
SUTL Cazenove Charity Responsible	*29.9*	*481,111*

11 Stocks

	2022 £	2021 £
Materials for resale	**23,825**	24,472

12 Debtors

	2022 £	2021 £
Student fees outstanding	**70,784**	94,081
Other debtors	**—**	310
Prepayments and accrued income	**86,732**	160,016
	157,516	254,407

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Student fees in advance	**1,308,408**	925,640
Trade creditors	**31,634**	59,298
Taxation and social security	**26,827**	26,556
Other creditors	**25,969**	13,742
CBIL Loan	**41,667**	41,667
Accruals and other deferred income	**126,934**	81,656
City and Guilds Art School Property Trust	**66,877**	77,899
	1,628,316	1,226,458

14 Creditors: amounts falling due after one year

	2022 £	2021 £
CBIL Loan – payable between two and five years	**135,006**	180,556
	135,006	180,556

The interest rate attached to the loan is based on a floating rate, and will be less than 2.9905% per annum.

15 Endowment funds

The capital funds of the Art School include permanent endowments and expendable endowments. The permanent endowments are comprised of monies which must be retained as capital indefinitely. The expendable endowments are comprised of monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

	At 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	**At 31 August 2022 £**
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	179,814	—	(499)	(9,309)	**170,006**
	179,814	—	(499)	(9,309)	**170,006**
Expendable endowments					
Margaret Ballardie bequest	526,096	—	(200,500)	(27,239)	**298,357**
Idun Ravndal Memorial Legacy	261,188	—	(10,000)	(13,523)	**237,665**
Other endowments	179,567	—	(3,458)	(9,295)	**166,814**
	966,851	—	(213,958)	(50,057)	**702,836**
Total endowments	1,146,665	—	(214,457)	(59,366)	**872,842**

The income from the endowment funds is included in unrestricted general funds.

	At 1 September 2020 £	*Income £*	*Expenditure £*	*Gains, losses and transfers £*	*At 31 August 2021 £*
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	*161,632*	—	*(219)*	*18,401*	*179,814*
	161,632	—	*(219)*	*18,401*	*179,814*
Expendable endowments					
Margaret Ballardie bequest	*461,509*	—	*(17,500)*	*82,087*	*526,096*
Idun Ravndal Memorial Legacy	*252,706*	—	*(20,279)*	*28,761*	*261,188*
Other endowments	*193,644*	—	*(36,120)*	*22,043*	*179,567*
	907,859		*(73,899)*	*132,891*	*966,851*
Total endowments	*1,069,491*	—	*(74,118)*	*151,292*	*1,146,665*

16 Restricted funds

The income funds of the Art School include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance at 1 September 2021 £	Income from invest-ments £	Donations £	Expenditure £	Realised/ unrealised gains on invest -ments £	**Balance at 31 August 2022 £**
Annual Bursaries Fund	25,107	—	395,259	(292,012)	—	**213,385**
Saul Bursary Fund	44,196	1,699	—	(1,074)	(2393)	**42,427**
Charles Noble/Peter Chance Scholarship F	27,890	1,072	—	(46)	(1,510)	**27,406**
Rodney Burn RA Scholarship Fund	45,831	1,761	—	(76)	(2,482)	**45,033**
Simon Birch Memorial Bursary Fund	80,707	3,102	—	(214)	(4,371)	**79,225**
Edith and Stephen Burnett Memorial Fund	4,283	165	—	(7)	(232)	**4,208**
David Ballardie Memorial Award Fund	41,734	1,604	—	(2,562)	(2,260)	**38,515**
Idun Ravndal Travel Award	2,055	79	—	(1,089)	(111)	**932**
Other prize and special funds	24,556	944	13,760	(22,468)	(1,330)	**15,462**
Books & Paper Conservation Project	112,408	—	—	(27,380)	—	**85,028**
Recovery Appeal	20,000	—	—	(20,000)	—	**—**
	428,765	10,425	409,021	(366,928)	(14,690)	**466,593**

Funds related to bursaries are now included in the top line "Annual Bursaries Fund"

The specific purposes for which the funds are to be applied are given by their descriptions in the table above. The main purposes are the awarding of scholarships, bursaries and prizes.

	Balance at 1 September 2020 £	*Income from invest-ments £*	*Donations £*	*Expenditure £*	*Realised/ unrealised gains on invest -ments £*	*Balance at 31 August 2021 £*
Annual Bursaries Fund	*106,321*	—	*267,982*	*(349,196)*	—	*25,107*
Saul Bursary Fund	*36,611*	*3,246*	—	*(50)*	*4,389*	*44,196*
Charles Noble/Peter Chance Scholarship F	*23,104*	*2,048*	—	*(31)*	*2,769*	*27,890*
Rodney Burn RA Scholarship Fund	*37,965*	*3,366*	—	*(51)*	*4,551*	*45,831*
Simon Birch Memorial Bursary Fund	*66,909*	*5,931*	—	*(153)*	*8,020*	*80,707*
Edith and Stephen Burnett Memorial Fund	*3,548*	*315*	—	*(5)*	*425*	*4,283*
David Ballardie Memorial Award Fund	*34,572*	*3,065*	—	*(47)*	*4,144*	*41,734*
Idun Ravndal Travel Award	*1,826*	*162*	—	*(152)*	*219*	*2,055*
Other prize and special funds	*17,441*	*1,546*	*9,600*	*(6,122)*	*2,091*	*24,556*
Books & Paper Conservation Project	*112,408*	—	—	—	—	*112,408*
Recovery Appeal	*20,000*	—	—	—	—	*20,000*
	460,705	*19,678*	*277,582*	*(355,807)*	*26,608*	*428,765*

17 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	**Total 2022 £**
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	180,961	—	—	180,961
Investments	243,286	466,593	872,842	1,582,721
Current assets	1,370,165	—	—	1,370,165
Creditors: amounts falling due within one year	(1,628,316)	—	—	(1,628,316)
Creditors: amounts falling due after one year	(135,006)	—	—	(135,006)
Total net assets	**31,090**	**466,593**	**872,842**	**1,370,525**

	General fund £	*Restricted funds £*	*Endowment funds £*	*Total 2021 £*
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	*189,986*	—	—	*189,986*
Investments	*34,396*	*428,765*	*1,146,665*	*1,609,826*
Current assets	*1,203,134*	—	—	*1,203,134*
Creditors: amounts falling due within one year	*(1,226,458)*	—	—	*(1,226,458)*
Creditors: amounts falling due after one year	*(180,556)*	—	—	*(180,556)*
Total net assets	*20,502*	*428,765*	*1,146,665*	*1,595,932*

The total unrealised gains as at 31 August 2022 constitute movement on revaluation and are as follows:

	2022 £	2021 £
Unrealised (losses) gains included above		
On listed investments as at 31 August 2022	**(74,056)**	148,340
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2021	**339,766**	191,426
Unrealised (losses) gains on listed investments arising in the year	**(74,056)**	148,340
Total unrealised gains at 31 August 2022	**265,710**	339,766

18 Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Art School being wound up members are required to contribute an amount not exceeding £1 each.

19 Leasing commitments

Operating leases

At 31 August 2022 the Art School had the following commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2022	2021	**2022**	2021
	£	£	**£**	£
Operating leases which expire:				
Within one year	**190,063**	293,429	**31,714**	28,659
Between two and five years	**799,032**	661,120	**31,101**	56,704
Over five years	**864,898**	1,025,351	—	—
	1,853,993	1,979,900	**62,815**	85,363

The land and buildings operating leases relate to the site at Kennington Park Road and the sub-lease of premises in the Old Vauxhall Telephone Exchange in nearby Kennings Way from the Property Trust for the period up to the first break clause.

20 Related party transactions

The City and Guilds Art School Property Trust has senior management in common with the Art School. The Art School charged a management fee of £51,921 (2021 – £43,796) to the Property Trust during the year. The Property Trust charged the Art School rent, including VAT, of £300,369 (2021 – £293,307) and also charged a management fee of £14,376 (2021 – £14,376). No grants were received from the Property Trust in respect of the year (2021 – £nil).

21 Post balance sheet events

There were no post balance sheet events to consider.

CITY AND GUILDS OF LONDON ART SCHOOL LIMITED

England & Wales - Charity number 1144708

Accounts

City&Guilds of London Art School

City and Guilds of London Art School Limited

Annual Report and Financial Statements

31 August 2021

Company Limited by Guarantee
Registration Number
07817519 (England and Wales)

Charity Registration Number
1144708

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Reference and administrative information

Trustees	Jamie Bill (Chair) Andrew Allen QC Marjorie Allthorpe-Guyton (resigned 20/03/21) Anne Beckwith-Smith LVO (resigned 20/03/21) Laurence Benson (Vice-Chair) Jyoti Bharwani (resigned 30/09/20) Nina Bilbey Dr Virginia Brooke Dr Caroline Campbell Ema Epps (appointed 01/10/20; resigned 30/09/21) Brendan Finucane QC (resigned 19/10/20) Gabriel Gbadamosi Martin Hatfull James Kelly Tamiko O'Brien Michael Osbaldeston Prof Jane Rapley OBE Tina Roe (appointed 01/10/21) James Roundell (resigned 30/10/21) Prof Elizabeth Rouse OBE Alexander Stitt Benjamin Tucker
Company Secretary	Wesley Schol

Reference and administrative information

Senior Management Team	
Principal	Tamiko O'Brien
Director of Resources and Operations	Nick Rampley (appointed 06/09/21)
Head of Finance	Shahzad Asghar
Head of Historic Carving	Heather Newton
Head of Art Histories	Tom Groves
Head of Fine Art	Robin Mason
Head of Foundation	Keith Price
Head of Academic Affairs & Quality	Wesley Schol
Head of Conservation	Dr Marina Sokhan
Head of Access to Learning	Teresita Dennis
Head of Development & External Relations	Hannah Travers
Registered and principal office	124 Kennington Park Road London SE11 4DJ
Telephone	020 7735 2306
Website	www.cityandguildsartschool.ac.uk
e-mail	office@cityandguildsartschool.ac.uk
Company registration number	07817519 (England and Wales)
Charity registration number	1144708
UKPRN	10039082
Bankers	Barclays Bank plc Southwark Branch 29 Borough High Street London SE1 1LY

Reference and administrative information

Investment Managers	Cazenove Capital Management Limited 1 London Wall Place London EC2Y 5AU
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

Introduction

The Board of Trustees ("the Board") of City and Guilds of London Art School Limited ("the Art School" or "the Charity" or "the charitable company") presents its annual report and the audited financial statements for the year ended 31 August 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared under the accounting policies set out therein and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and comply with the Office for Students' Accounts Direction 2020/21.

Constitution

The Art School is a charitable company, limited by guarantee, not having a share capital. The Art School's governance is determined by its Articles of Association, dated 22 May 2019. As set out in the Articles the Directors of the Art School form the Art School Board of Trustees. To assist in exercising their duties, the Board has a number of Committees, which are detailed and governed by the Art School's "How We Work: Governance & Management" Handbook.

The Charity was incorporated on 20 October 2011 to continue the educational activities that were transferred from City & Guilds Art School Property Trust (the Property Trust) on 31 March 2012 as part of a business transfer agreement.

The Art School is a Higher Education Provider registered with the Office for Students in its Approved Category.

Principal aims and activities

Founded in 1879, and with a history dating back to 1854, the Art School is one of the UK's oldest art educational institutions specialising in art, craft and conservation. Its original mission was to provide quality instruction in applied art and design for local people. This broadened over time and since World War II has encompassed restoration and conservation to assist, initially, with the effort to repair London's monuments and heritage. Through this, it developed a strong reputation for excellence in both art and craft.

Principal aims and activities (continued)

The Art School's mission today is to nurture individual talent by providing an immersive learning environment with an emphasis on the dialogue between the eye, the hand and the material, informed by the study and analysis of historical and contemporary art and craft. This is delivered through a number of specialist courses including undergraduate and postgraduate courses in Fine Art, Carving (architectural stone and ornamental wood carving & gilding), Conservation of cultural artefacts (with a focus on three-dimensional objects, gilded and other decorative surfaces, and on books and paper), as well as a Foundation Diploma in Art & Design. This activity is consistent with the objects contained within the Art School's Articles of Association.

The Art School sets out to educate artists, craftspeople and conservators who will go on to make a significant contribution in their fields, through the pursuit of excellence in traditional skills as well as through creative innovation and enterprise and a commitment to offering students a high level of contact time working with some of the country's leading specialist practitioners.

Convinced of the social value and necessity of its subjects, not only for the creative and heritage sectors, but for society at large, the Art School champions the roles that art and craft play by engaging in national and international collaborations and through public facing events.

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects and motivating students to be inquisitive and resourceful, equipping them to go on learning through practice for the rest of their lives.

Public benefit

The Trustees confirm that they have complied with their duties under section 4 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The Trustees' report gives a description of the activities undertaken by the Art School during the period to further its charitable purposes, and the Trustees are satisfied that such activities provide public benefit.

Governance, structure and management

Review

Following substantial changes in the membership of the Board (including the appointment of a new Chair) in 2019/2020, the current year saw a consolidation of its membership; three long-standing Trustees, whose retirements had been anticipated by appointments made in the previous year, resigned on completion of their final term of office. Otherwise the only change in membership during the year was that of the Board's student representative whose appointment as co-Chair of Students expires on an annual basis.

Governance, structure and management (continued)

Organisation

The Trustees are directors of the company for the purposes of the Companies Act 2006 and are Trustees of the Charity for the purposes of Charity legislation.

The Board is the policy-making body of the Art School. It is assisted by the Secretary, who is appointed by the Board. The Board also operates through a number of committees, including: Audit & Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee.

Though the Board retains responsibility for the assurance of institutional quality and standards, the control of academic matters, including the structures, processes and regulatory frameworks through which academic matters are decided and overseen, resides with academic staff. Academic authority is exercised through the Academic Board, advised and supported by professional /administrative colleagues and with the involvement of students. The Academic Board is chaired by the Principal and operates under delegated authority from the Board. It is supported by the various Boards of Studies for each of the Academic Departments and the Site & Environment Sub-Committee, established in October 2019 reporting also to the Trustees through the Audit & Risk Committee.

Additionally, there is a Finance Working Group which advises the Board on financial strategy, the Principal's Business Planning Advisory Group providing the benefit of Trustee-level expertise and experience in exploring the feasibility of new business opportunities, initiatives or broader issues, and a Joint Development Advisory Working Group that supports the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

Key management personnel

The Principal of the Art School, who is *Ex Officio Trustee*, is charged with carrying out the policies agreed with the Trustees and with managing the Art School's academic activities and directing and running the organisation on a day-to-day basis. She is assisted in this by the Director of Resources and Operations and by the Heads of Department for each of: Academic Affairs & Quality; Access to Learning; Art Histories; Conservation; Fine Art; Foundation; and Historic Carving; who, along with the Head of Finance and Head of Development & External Relations, form the Senior Management Team.

In addition, there are functional heads responsible for supervising certain key shared facilities such as the Site Manager, Librarian, Drawing Studio Manager and Print Room Manager.

The remuneration of key management personnel as well as the overall scheme for all staff is set and approved by the Trustees through the Remuneration Committee. Remuneration is reviewed annually, paying due regard to market rates and sector benchmarks.

Governance, structure and management (continued)

Personnel

In line with the Art School's policy whereby students are largely taught by practising professionals, specialist tutors are engaged on an annual or term-by-term basis for a specified number of days. In this way, students are exposed to a wide variety of specialist skills, creative models and critical opinions, whilst continuity of academic progress is ensured by the Heads of Department. The Art School's non-academic activities (including administration, finance and development), are run by a small administrative team reporting to the Head of Resources and Operations.

Risk management

The Trustees have assessed the major risks to which the Art School is exposed. In particular, these relate to: academic standards and reputation; student recruitment and financial sustainability; and compliance with statutory and regulatory requirements, in particular those relating to: *Office for Students Registration*; *Course validation* and *designation*; *Home Office Student Sponsorship Duties*; *General Data Protection Regulations*; and *Health & Safety*.

All areas of risk are monitored through the Art School's governance structure which identifies the lines of responsibility and decision making for each aspect of the Art School's operation, with the *Audit & Risk Committee* responsible for reviewing Risk Registers and reporting to the Board.

The Trustees and Senior Management Team ensure that the Art School's operations are protected against significant risk through annual monitoring, action planning and risk assessment procedures. The Art School has comprehensive insurance cover against key areas of risk; in addition to Public Liability Insurance cover of up to £10m and Directors' Liability cover of up to £2m, the Art School also has a business interruption insurance covering up to 24 months of fee income. The Art School's accommodation is insured by the City & Guilds Art School Property Trust, at its full re-instatement value.

In addition, as part of the Office for Students application process, the Art School devised and put in place a *Student Protection Plan*, which details how the Art School will support students to complete their studies, should the Art School face an extreme challenge leading to total or practical closure.

The Board is satisfied that systems are in place to mitigate, or control where possible, the Art School's exposure to the risks mentioned above.

Fundraising statement

The Art School adheres to good standards of ethical fundraising. A Gift Acceptance Policy adopted in July 2019 formalises the Art School's practices and ethical fundraising position and will be reviewed in 2021/22. The Art School greatly values the support it receives from donors. The majority of its donations are received from institutions, which the Art School approaches from time to time. A small number of donations are received from individuals, including student alumni, who are approached from time to time via written correspondence, email or at events.

Governance, structure and management (continued)

Fundraising statement *(continued)*
The Art School does not approach individuals for donations who are not known by the Art School, and does not canvas on the street for donations. The Art School does not employ any third parties to fundraise on its behalf, and no complaints have been received about its fundraising activity. Donors' personal data is not shared with any third party, and is stored safely and securely in line with the General Data Protection Regulations.

Statement of Trustees' responsibilities
A Statement of Trustees' responsibilities is included in the Statement of Corporate Governance and Internal Control.

Board of Trustees
The members who are in office at the date of this report are listed on page 1 with their dates of new appointment and resignation since 1 September 2020.

No Trustee has received any remuneration for services as a member of the Board (2020 - none).

The Statement of Corporate Governance and Internal control sets out the Trustees who were in office for the year ended 31 August 2021 and up until the date of approval of the financial statements (unless otherwise indicated).

Objectives and relevant policies
The Art School's objectives are set to reflect its educational aims and ethos. In setting these, the Trustees have given due consideration to the Charity Commission's general guidance on public benefit and to its supplementary benefit guidance on fee charging.

The Art School's key objectives for the year included:

- to ensure continuity of learning for its students notwithstanding the challenges presented by the COVID-19 pandemic;
- to ensure ongoing full compliance with Office for Students expectations, the UK Quality Code and other relevant legislation;
- to consolidate its Conservation offer following the introduction of a new subject area of book and paper conservation in the previous year and consider further opportunities for expansion of its academic portfolio;
- to continue engaging further in public facing initiatives, in collaboration with other organisations, to raise the Art School's profile and engage actively in the broader dialogue about art, craft and education;

- to continue to nurture and extend the number of high-quality partnerships and initiatives for student participation and engagement, and to support the development of professional practice and progression into employment upon graduation;

Governance, structure and management (continued)

Objectives and relevant policies *(continued)*

- to enhance further the availability of bursary support and financial assistance for students with financial needs; and

- to work closely with the Property Trust on progressing with the development of the Art School's Kennington site and student facilities, with a particular emphasis on creating a new suite of conservation studios along with additional Fine Art studios to allow for additional recruitment from planned academic portfolio expansions.

Access and Equality & Diversity

The Art School is committed to supporting the development of individuals from all backgrounds who have the potential to succeed in its subjects. It believes in the importance of a diverse student community. The Art School charges fees at a level commensurate with the majority of other institutions that offer higher education in art and design. Not all of the Art School's students are eligible for student loan support, so it seeks to provide financial support through bursaries from its own investment income, from funds raised specifically for this purpose from a wide range of charitable sources and by supporting students in their own search for financial support. The Board's policy is to provide fee bursaries on the basis of need and educational ability, subject to such restrictions as may have been imposed by the donors of the funds at its disposal, and within the capacity of the funds available.

The Art School is committed to promoting and upholding equality and diversity and is committed to a working environment which is free from discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation, disability or age. It anticipates the needs for a diverse range of learning styles and makes reasonable adjustments to meet the specific needs of students and staff who are, or become disabled, functionally disabled or possess some other protected status.

Investment

The Art School's investments are managed by Cazenove Capital Management Limited. The Art School has a portfolio of investments with a market value including cash as at 31 August 2021 of £1,609,826 (2020: £1,398,489).

There are no extra-statutory restrictions on the Art School's power to invest. The investment strategy is set by an Investment Committee reporting to the Board of Trustees and considers capital growth and income requirements, the risk profile and the investment managers' view of the market prospects in the medium term. The overall investment policy is to provide the level of income sought by the Trustees whilst endeavouring to ensure that longer term capital values more than cover the impact of inflation. The performance of the portfolio is reviewed regularly by the Investment Committee.

Activities and achievements

Student numbers and academic achievements

The number of students enrolled at the beginning of the 2020/21 academic year totalled 258 (237 in 2019/20).

Foundation Studies

79 students (74 in 2019/20) successfully completed their year of study and were awarded a Foundation Diploma in Art & Design from UAL Awarding Body, with many able to secure a place on the university course of their choice.

Fine Art

20 students (23 in 2019/20) were awarded BA (Hons) degrees in Fine Art; 12 Firsts and 7 Upper Seconds, 1 Lower Second.

16 students completed their MA Fine Arts degree in the Spring term 2021 following an extension to their 2019/20 academic year due to the Covid-19 pandemic. 14 completed their MA in the early autumn 2021 following a similar though shorter extension to 2020/21.

Conservation

4 students (4 in 2019/20) were awarded BA (Hons) Conservation Studies; 2 First and 2 Upper Seconds.

3 students completed their MA Conservation in the Spring term 2021 following an extension to their academic year due to the Covid-19 pandemic. 1 MA student completed in the early autumn following a similar though shorter extension to 2020/21.

Historic Carving

5 students (5 in 2019/20) were awarded BA (Hons) Historic Carving; 4 First, 1 Upper Seconds.

4 students completed their MA in the early autumn 2021 following a short extension to their academic year due to the Covid-19 pandemic.

Art and Materials Histories

1 student completed their Art and Material Histories degree in the Spring term 2021 following an extension to their 2019/20 academic year due to the Covid-19 pandemic. 2 completed their MA in the early autumn 2021 following a similar though shorter extension to 2020/21.

Activities and achievements (continued)

Bursaries and scholarships

The continued generosity of the Art School's many benefactors enabled fee bursary awards of £224,825 (£264,809 for the previous 12 months). Contributions made by way of direct applications for support by students amounted to an additional £20,583 for the academic year (£26,833 in the previous year). In the course of the 12 months to 31 August 2021, fee bursaries were given to a total of 57 students (63 in the previous year), representing more than one in three students on the Art School's undergraduate and postgraduate courses towards which bursary and scholarship support is primarily directed. New pledges for coming years have also been secured. Trustees continue to regard increasing the amount of bursary and scholarship funding available for students as a priority.

Academic Portfolio Developments

This was the first year for the new subject area in the Conservation of Books & Paper following the successful validation of the new awards and fundraising for new specialist facilities. The first year of the course successfully recruited and engaged a new team of experts in delivering this important specialist area, securing important skills and knowledge for the UK's heritage sector.

A significant part of this development for Conservation was the move of MA Fine Art from the Georgian studios to the first floor of the BT Building which had been set up for MA studios thanks to external funding. The new studios supported the Art School not only by hosting the new intake but also mitigating the impact of the Covid pandemic by providing studio space for the 2019/20 MA cohort whose course was extended by several months due to the first nationwide Lockdown in March 2020.

Outreach and collaborative projects

The Covid pandemic severely restricted our ability to undertake collaborative and outreach projects to the level we had achieved in the past. Participation in London Craft Week, The Big Draw, and our plans to work with ARTiculation on an event with young people and to run a Saturday Print workshop for young people in collaboration with Creative Dimension Trust were all cancelled as a result And our artist in residence programme postponed for a year. Nevertheless, Art School students and personnel succeeded in taking part in a wide range of external initiatives.

Despite the pandemic we were able to run a successful short courses programme targeted at championing our subjects in the summer 2021, with a number of participants receiving bursaries from the Andrew Lloyd Webber Foundation aimed at engaging young people with historic crafts, specifically facilitating the participation of those who would otherwise be unable to fund their place. Professor Roger Kneebone, the Art School's first Honorary Fellow, gave an online lecture to students from across the Art School about his new book Expert: Understanding the Path to Mastery.

The Sir Denis Mahon Foundation Sculptural Grant provided a £5,000 annual grant which was awarded to three students across BA Conservation, Historic Carving and Fine Art courses whose work focuses on sculpture in the final year.

Activities and achievements (continued)

Outreach and collaborative projects *(continued)*

The Art School's Royal Literary Fund Fellow for the year was poet and non-fiction writer Kathryn Maris who provided support to students with any type of written work, whether an essay, dissertation, artist statement or even creative writing. The Art School also took part in the Reading Agency's World Book Night by creating a resource online recommending some of the most inspiring and indispensable books from our library's distinctive collection covering our specialist subjects.

Fine Art

A collaboration with Woolwich Contemporary Print Fair resulted in a printmaking demonstration event and discussion between our Print Room Manager and Vincent Eames, Director of Eames Fine Art. (see https://www.cityandguildsartschool.ac.uk/printmaking-demo-and-discussion-with-jason-hicklin/)

Four Art School Fine Art graduates and an Art School Print Fellow were shortlisted for the Ingram Collection's Young Contemporary Talent Purchase Prize 2020. Kristina Chan, Print Fellow went on to be awarded one of three prizes. Fine Art graduate Augusta Lardy was one of the ten winners to take part in an exhibition, which was accompanied by a publication, of the Freelands Painting Prize celebrating outstanding painting practice at undergraduate level. 2020 BA Fine Art graduate Freya Moffat was chosen for Grayson's Art Club exhibition & in 2021 was shortlisted for the Signature Art Prize and had a solo show at Fondazione Pini, Milan. MA student Caroline Wong was included in the five-person show 'Drawn Out' at the Drawing Room. 2020 MA graduate Patrick Stratton was shortlisted and exhibited at the 2021 Cordis Prize for Tapestry, a celebration of contemporary practice established by Author Ian Rankin and Miranda Harvey. Two Fine Art alumni had work shortlisted for the Ashurst Emerging Artist Prize 2021

The outstanding work of our 40+ 2020 Fine Art BA and MA graduates, who had been unable to present their work in a physical show in Summer 2020 due to the pandemic, was celebrated in an exhibition held at Bargehouse, Oxo Tower, Southbank.

Towards the end of the year, the Art School awarded a significant grant from the Leverhulme Trust for Arts Scholarships supporting MA Fine Art & MA Art & Material Histories students. Over the next four years up to 16 students will receive full scholarships between 2021-2025.

Conservation & Historic Carving

Orbis Conservation, founded and run by alumni from the Art School's Conservation Department were presented with the Restoration/Conservation Project of the Year 2020 Award at the Museums + Heritage Awards together with Plymouth City Council, for an ambitious two-year project involving the conservation, consolidation and restoration of five, large 19th century ships' figureheads installed at The Box, Plymouth, a new arts and heritage complex.

Activities and achievements (continued)

Outreach and collaborative projects *(continued)*

Conservation & Historic Carving (continued)
An MA Conservation student took on a project on The Alcibiades Dog, a cast concrete sculpture loaned from Chatsworth House and a recent MA Conservation graduate received an Anna Plowden Trust/Clothworkers' Foundation Grant for recent graduates to gain practical work experience previously made impossible by the pandemic, enabling her to work with Jackson Sculpture Conservation. BA graduate Louise Davison was elected as a young professional trustee for ICON.

Head of Conservation, Dr Marina Sokhan, and Art Histories Tutor, Dr Michael Paraskos, spoke at a webinar organised by Imperial College London entitled 'Laser Cleaning in Conservation / Historic Artefacts: when do you want it?' as part of its 'Science & Engineering Research for Cultural Heritage' series.

The Conservation Symposium at which final year BA and MA Conservation students present their research at a public-facing event usually takes place at the V&A Museum. Due to the pandemic, this year it took place online. Recordings of their presentations are available on the Art School's YouTube Channel. Four Books and Paper Conservation students took part in a project to deep clean the library of Strawberry Hill House and had the opportunity to discuss their work and studies with visiting members of the public..

The Conservation Department has continued to build on existing and develop new partnerships for student projects, placements and internships, and has been building a new network to support the BA Conservation: Books & Paper course. The Britain-Australia Society Education Trust and City & Guilds of London Art School: Endeavour Award to Fund an Australian citizen to Study Conservation in London and raise the profile of the Art School's courses in Australia continues to be rolled out.

The Carving department's collaboration with workwear manufacturer Carhartt continued with a selection of six new student ambassadors being chosen to represent their historic craft skills and the brand. The NEW BEGINNINGS exhibition at the Lettering Arts Trust in Snape Maltings, Suffolk included a number of recent graduates. The Art School exhibited at the online Historic Buildings, Parks & Gardens Event with BA Historic Carving students demonstrating their skills to visitors and those in the craft & heritage industries.

Nine Historic Carving students and recent graduates were shortlisted for the Grinling Gibbons 300 Award, a national competition for emerging carvers established to mark the 300th anniversary of the death of the 'Michelangelo of woodcarving' Grinling Gibbons. Art School students and alumni won five of the six prizes including the first prize. The Art School also worked with the Drapers' Company on a special commission for a recent graduate of a carving to celebrate Gibbons for the Drapers' Hall.

Freya Douglas Ferguson, a recent graduate of the Carving Postgraduate Diploma, was selected for the prestigious New Contemporaries 2021 exhibition that travelled from First Site Colchester to the South London Gallery.

Activities and achievements (continued)

Investment performance

During the year to 31 August 2021 the Charity's investments produced an overall income of £81,832 (2019/20: £20,035) and a net capital gain of £177,900 (2019/20: gain of £10,229). The investment managers continued to invest in accordance with the Trustees' investment policy, which is reviewed by the Investment Committee and the Board annually, and which is based on an ethical investment approach. The Trustees are satisfied that their investment objectives are being met by the performance of the investments in the context of existing economic and investment conditions.

Financial review

Results for the year

The Art School recorded a deficit before net gains on investments of £144,329 (2020: surplus of £252,405) for the year. Unrestricted funds recorded a deficit, reflecting additional costs arising from the Covid-19 pandemic and a reduction in unrestricted donations during the year. Restricted funds drawn on in year similarly exceeded income into those funds.

Realised gains of £29,559 (2020: losses of £14,416) and unrealised gains of £148,340 (2020: gains of £24,645) on the Art School's investments were recorded in its restricted and endowment funds.

Reserves

The Board has examined the requirement for free reserves i.e. those funds not invested in tangible fixed assets, not designated for specific purposes, not restricted and not otherwise committed. The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital as the activities of the Art School grow. In the meantime the Trustees have taken the view that the expendable endowments and free reserves should be considered together and are satisfied that this is in line with the reserves policy. A target of three months' operating expenditure would be deemed appropriate.

Financial position

The balance sheet shows total funds of £1,595,932 (2020: £1,562,361). These funds include endowment funds of £1,146,665 (2020: £1,069,491). Whilst the income from these funds may be used for the general purposes of the Art School, most of the endowment fund balances themselves are regarded as long term capital.

Also included in total funds is an amount of £428,765 which is restricted (2020: £460,705). These monies have either been raised for, and their use is restricted to, specific purposes or they comprise donations subject to donor-imposed conditions. Details and an analysis of movements in the year of these endowment and restricted funds can be found in notes 15 and 16 to the financial statements.

Financial review (continued)

Financial position *(continued)*

Unrestricted funds of the Art School at 31 August 2021 total £20,502 (2020 £32,165). These funds are represented by general fund tangible fixed assets of £189,986 (2020: £216,492) and by a deficit of free reserves of £169,484 (2020: deficit of £184,327). The Trustees have considered the position in the context of known future sources of income, and also expendable endowments of £966,851 (2020: £907,859) which are available to provide liquidity to the School if needed, and thus consider the reserve position to be acceptable in the context of the reserves policy.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements, taking into consideration the impact of the Covid-19 pandemic on its operations and financial position going forward. In doing so, the Trustees have considered the following:

- Latest operational plan for the remainder of the current 2021/22 academic year in response to ongoing government guidance;
- Evidence from the impact of lockdowns experienced in 2020/21 and measures in place to mitigate these, along with the performance record of re-opening the Art School facilities and operating a blended teaching offer during the September to December 2021 period;
- Revised budget and financial forecast for the financial year 2021/22 along with the development of a new Strategic Plan for the period 2022-2027

Since the onset of the Covid-19 pandemic, the Art School management's foremost priority has been to adapt its learning offer to meet government guidelines while safeguarding the quality of the student experience and ensuring student progression. This was achieved successfully during the 2020/21 academic session through an extension of the academic year to make up for the lockdown periods in terms of practical work and studio time and resulted in all students completing their year successfully. Interruption of studies remained at very low levels, not increasing from prior years. The measures put in place to re-open the Art School facilities for the academic year 2021/22 with full workshop and studio access and a blended learning offer resulted in a successful first term and no cases of pandemic-related interruption of studies. At the point of writing, the recruitment outlook for the 2022/23 academic year is stable based on the level of interest and number of applications received, therefore suggesting that the target of securing a full intake should be achieved, supporting an increase in fee income in 2022/23.

As an independent organisation in the HE sector, the Art School was not eligible for any cultural sector government funds and was only able to draw on the Furlough Scheme in a limited way during the periods of lockdown. In order to mitigate the financial challenges created by the Covid-19 pandemic and following a successful appeal addressed at its existing donor base of supporters, continued operational support remains the primary focus of fundraising activity for the current year.

Going Concern (continued)
In order to provide additional working capital support if needed, the Art School took advantage of the Coronavirus Business Interruption Loan Scheme to secure a CBIL loan of £250,000, repayable over a period of 6 years from financial year 2021/22. At the year-end £222,222 of the Art School's £924,255 cash holdings derived from the CBIL loan.

The Art School held negative free reserves of £169,484 as at 31 August 2021 (2020 – negative free reserves of £184,327). The Board intends to achieve, as circumstances permit, a suitable level of free reserves in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School now holds expendable endowments totalling £966,851 (2020: £907,859). These expendable endowments are available to provide additional financial support and liquidity to the Art School.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Future plans
At the same time as approving this Report and Financial Statements the Board has also approved a new Strategic Plan 2022-2027. The Plan sets out the targets by which the Art School intends to meet its Strategic Goals of:

i) Promoting academic excellence and increased learning opportunities in its areas of expertise;

ii) Enhancing its student and staff experience by ensuring its infrastructure supports its ambitions as a Centre of Excellence; and

iii) Safeguarding and championing the Art School's ethos and values by ensuring sustainability and supporting future ambitions.

Under the last of these Goals, the Art School's objectives are:

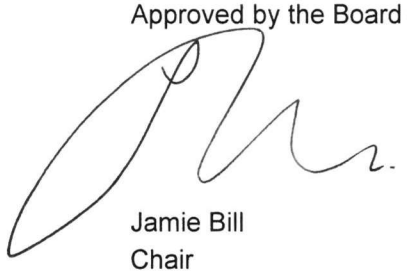
1. to support sustainability through improved Financial Performance by: achieving a sustainable operational surplus to provide for capital development, special projects and contingencies; containing staff and other costs to levels of income in proportion with areas of growth; and ensuring departmental budgeting is strategically driven to support our vision; and

2. to enhance financial sustainability through increased Fundraising and Development activity by: expanding the number of external funders and partnerships to support the Art School's bursary and capital development needs and enhance its reputation and profile; raising the Art School's public profile through increased partnerships, external projects and media coverage and increasing our presence and activity within the local community; and broadening the basis for fundraising appeals through a focus on defined special projects.

The Charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Approved by the Board on 26 January 2022 and signed on its behalf by:



Jamie Bill
Chair

Statement of corporate governance and internal control Year to 31 August 2021

The following statement is provided to enable readers of the annual report and financial statements of City and Guilds of London Art School to obtain an understanding of its governance and legal structure. These are detailed and governed by the How We Work: Governance & Management Handbook.

The statement covers the period from 1 September 2020 to 31 August 2021 and up to the date of the approval of the annual report and financial statements.

The Art School endeavours to conduct its business:

1. Having due regard to the UK Corporate Governance Code 2018 in so far as it is applicable to the Higher Education Sector, and the Charities Act 2011.

2. Complying with Office for Students on-going conditions or regulations and terms of conditions of funding as well as other regulatory responsibilities, in accordance with the Higher Education Code of Governance.

We have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code, the Higher Education Code of Governance and Charities Act 2011.

The Board of Trustees recognises that as a body entrusted with private funds, charitable funds and public funds where received, it has a particular duty to observe the highest standards of corporate governance at all times.

Legal Status

City and Guilds of London Art School is School is a charitable company, limited by guarantee, not having a share capital.

The Board of Trustees confirm that they have due regard for the Charity Commission's guidance on public benefit and that the required statement appears elsewhere within these financial statements.

The Board of Trustees

The members who served on the Board of Trustees during the year and up to the date of signature of this report are listed below.

Statement of corporate governance and internal control Year to 31 August 2021

Trustee	Appointed / Resigned
Andrew Allen QC	
Marjorie Allthorpe-Guyton	Resigned 20 March 2021
Anne Beckwith-Smith LVO	Resigned 20 March 2021
Laurence Benson (Vice-Chair)	
Jyoti Bharwani (Student Trustee)	Resigned 30 September 2020
Nina Bilbey (Staff Trustee)	
Jamie Bill (Chair)	
Dr Virginia Brooke	
Dr Caroline Campbell	
Ema Epps (Student Trustee)	Resigned 30 September 2021
Brendan Finucane QC	Resigned 19 October 2020
Gabriel Gbadamosi	
Martin Hatfull	
James Kelly	
Tamiko O'Brien (Principal and Accountable Officer)	
Michael Osbaldeston	
Prof Jane Rapley OBE	
Tina Roe (Student Trustee)	Appointed 01 October 2021
James Roundell	Resigned 30 October 2021
Prof Elizabeth Rouse OBE	
Alexander Stitt	
Benjamin Tucker	

Board of Trustees' interests

The Board of Trustees are shown above and except for any instance mentioned above have served throughout the year. Three members of the Board of Trustees have interests within the organisation, including two salaried members of staff, the Principal (ex-officio Trustee), the staff representative Trustee (elected), and the Student representative Trustee (also known as Chair of Students); none of them receive remuneration for their services as members of the Board.

The Secretary to the Board of Trustees maintains a register of financial and personal interest of the members of the Board of Trustees, updated annually.

Statement of trustees' responsibilities

The Trustees (who are also directors of the Art School for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

Statement of trustees' responsibilities (continued)
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Trustees are also responsible for ensuring that the School continues to meet the conditions for Office for Students registration, and also safeguarding freedom of speech and academic freedom.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Meeting Procedures
Formal agendas, papers and reports are supplied to the Board of Trustees in a timely manner, prior to Board meetings. Reports include financial performance of the organisation together with other information such as recruitment, academic and quality matters, personnel related matters, and health and safety matters. The Board of Trustees met five times in 2020/21. Full minutes are kept of all meetings.

Meeting Procedures (continued)
The Art School has a strong and independent non-executive membership on the Board of Trustees and no individual or group dominates its decision-making process. The organisation is satisfied that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with exercise of their independent judgement.

There is a clear division of responsibility between the roles of the Chair and Accountable Officer.

Appointment to the Board of Trustees
Appointment to the Board of Trustees are matters for consideration of the Board of Trustees as a whole, as advised by the Nominations Committee.

Board of Trustees Performance Oversight
The Board of Trustees exercise robust scrutiny of performance and challenge where necessary. Board meetings provide the opportunity for thorough discussion of issues arising. Trustees are pro-active in their oversight of the organisation and are involved in the planning and discharging of Board business.

A review of individual Board members' roles and contributions is conducted annually by the Chair.

Committees
The Board of Trustees receives advice on the conduct of its business from four committees and the Academic Board. Each committee has its own terms of reference which have been approved by the Board of Trustees. This committees are: Audit & Risk Committee; Remuneration Committee; Investment Committee; and Nominations Committee. In addition, a Finance Working Group was formed in March 2021 to inform strategic planning, the Principal's Business Planning Advisory Group provides the benefit of Trustee-level expertise and experience in exploring the feasibility of new business opportunities, initiatives or broader issues, and a Joint Development Advisory Working Group that supports the fundraising activity of both the Art School and the Property Trust, a separate charity and landlord to the Art School.

Committees (continued)

	AUDIT & RISK COMMITTEE	INVESTMENT COMMITTEE	NOMINATIONS COMMITTEE	REMUNERATION COMMITTEE
Frequency of meetings	Minimum 4 p.a.	2 p.a.	Minimum 2 p.a.	Minimum 2 p.a.
Chair	Laurence Benson	James Roundell/James Kelly from 2022	Marjorie Allthorpe Guyton/ Caroline Campbell	Laurence Benson
Clerk	Secretary to the Board	Director of Resources and Operations	Secretary to the Board	Secretary to the Board
Trustees	Virginia Brooke Martin Hatfull James Kelly Jane Rapley Michael Osbaldeston	Laurence Benson	Andrew Allen Jamie Bill Nina Bilbey (Staff Trustee) Tina Roe (Student Trustee) Gabriel Gbadamosi Alex Stitt Ben Tucker	Andrew Allen Jamie Bill Nina Bilbey (Staff Trustee) Martin Hatfull Tina Roe (Student Trustee) Ben Tucker
Non-Trustee Members	Humphrey Carey (Property Trust) Tim Statham	Humphrey Carey (Property Trust) Rupert Asquith		
In attendance	Principal (ex-officio Trustee) Brendan Finucane (former Trustee) Director of Resources and Operations Head of Finance	Head of Finance Nick Orr, Cazenove Capital	Principal (ex-officio Trustee)	Principal (ex-officio Trustee) Director of Resources and Operations Head of Finance

Audit and Risk Committee

The Audit and Risk Sub-Committee is responsible to the Board of Trustees in discharging its responsibilities for reporting its independent opinions on the risk management, controls, governance, and value for money arrangements of the Art School.

The Committee is responsible for the following:

- To appoint external auditors and agree the audit fee, meet with the external auditors to discuss the scope and nature of the audit and to discuss the findings of the audit along with the included management letter and management responses.
- To review on a regular basis the Art School's Risk Register, advise the Board of Trustees of any significant changes/additions and to escalate any serious concerns to the Board

Committees (continued)

Audit and Risk Committee *(continued)*

- To commission audit reviews of anything that could potentially threaten or adversely affect the accomplishment of the aims and objectives of the Art School, or which potentially could put the Art School at financial or reputational risk.

- To ensure, on behalf of the Board of Trustees, that sound financial and governance controls are in place, and effectively implemented; including the endorsement of the Art School's Financial Regulations, Reserves Policies and arrangements for risk and business continuity management.

A **Site & Environment sub-committee** reporting to the Audit & Risk Committee is tasked with overseeing all matters relating to risk management and compliance with legal obligations relating to the physical, working and educational environments, including student and staff welfare provision and the Health & Safety of all the Art School's members and visitors.

Remuneration Committee

The Remuneration Committee provides oversight of strategic staffing matters and determine policy on staff remuneration; and has delegated authority of the Board to determine the schema for staff pay increases and to decide the remuneration of the Principal and Senior Members of Staff.

Investment Committee

The Investment Committee oversees the management of the Art School's investment portfolio. Under delegated authority of the *Board of Trustees*, the *Investment Committee* is responsible for advising the Board on the appointment of the investment managers; for monitoring the performance of the portfolio and the effectiveness of the investment strategy; and for ensuring that the Art School's investments are handled responsibly and ethically.

Nominations Committee

The Nominations Committee oversees the process for the recruitment and appointment of members of the Boards of Trustees and advises the board overseas the process for review of governance effectiveness. It keeps under review policies and processes relating to membership of the Board of Trustees including induction, training and development of the Trustees.

Committees (continued)

Academic Board

The Academic Board is established by the Board of Trustees with delegated powers to oversee the Art School's academic activities on its behalf and to be the institution's supreme academic authority. Chaired by the Principal, the responsibilities delegated to Academic Board are to:

- Uphold the academic standards of Art School's courses and the quality of its teaching and student welfare provision.
- Devise, maintain, amend and, in individual cases suspend, the Student Regulations.
- Recommend the appointment of External Examiners for validated provision.
- Appoint External Examiners for non-validated provision.
- Confirm the students' results for those courses delivered independently of a validating partner.
- Elicit, receive and act upon student feedback.
- Oversee all internal review and evaluation processes including periodic reviews by the Office for Students (via the QAA).
- Work to foster excellent relationships with the Art School's validating partners.

Internal Control

Scope of responsibility

The Board of Trustees is ultimately responsible for the organisation's system of internal control and for reviewing its effectiveness. Such a system incorporates risk management and is designed to manage the risk of failure to achieve academic, operational and financial objectives and is designed to provide reasonable assurance against material misstatement or loss, covering such areas as educational standards, safeguarding, IT and data protection, Health & Safety and Estates, HR matters and finance.

The Board of Trustees has delegated the day-to-day responsibility to the Principal, as Accountable Officer, for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the funds received and assets. The Principal is responsible for reporting to the Board of Trustees, through the Audit & Risk Committee, any material weaknesses or failures in internal control.

The system of internal control

The system of internal control is designed to manage risk to a reasonable level and is based on an on-going process of identifying and prioritising the risks to the achievement of organisation policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control (continued)
The system of internal control has been in place at the organisation for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk
The Board of Trustees has reviewed the key risks to which the organisation is exposed, together with the operating, financial and governance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that an effective formal on-going process for identifying, evaluating and managing the Art School's significant risks has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

The risk and control framework
The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. It includes:

- A comprehensive register of risks, updated and reviewed on a semi-annual basis
- annual budgeting with an annual budget reviewed and agreed by the Board of Trustees
- periodic reviews by the Board of Trustees of management accounts and financial reports which present and assess financial performance against budget and performance indicators

Review of effectiveness
As the Accountable Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Principal's review of the effectiveness of the system of internal control is informed by:

- the work of the external auditors;
- the work of the Head of Finance and other staff who have responsibility for the maintenance and development of the internal control framework;
- comments made by the organisation's financial statements and regularity auditors in their management letters and other reports; and
- advice provided by Trustees working through the Committees.

There are no significant internal control weaknesses reported for the period.

Review of effectiveness (continued)
The senior management team regularly reviews key performance and risk indicators and considers possible control issues brought to their attention. The Audit and Risk Committee receives regular reports, which include recommendations for improvement, and conducts an annual review of the arrangements for internal control. The Board of Trustees agenda includes a regular item for consideration of risk and control and receives reports thereon from the Audit and Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Based on above and reports by the Principal, the Board of Trustees is of the opinion that the organisation has an adequate and effective framework for governance, risk management and control to manage the achievements of the organisation's objectives for the year ended 31 August 2021 and it has fulfilled its statutory responsibility for "the effective and efficient use of resources, the solvency of the institution and the safeguarding of their assets".

Regularity, propriety, and compliance
The organisation has considered its responsibility to notify the Office for Students of material irregularity, impropriety and non-compliance with Office for Students terms and conditions of funding.

We confirm, on behalf of the organisation, that after due enquiry and to the best of its knowledge, the Board of Trustees believes it is able to identify any material irregularity or improper use of funds by the organisation, or material non-compliance with terms and conditions of funding under the organisation's financial regulations. As part of our consideration we have had due regard to our financial regulations. If any instances are identified after the date of this statement these will be notified to the Office for Students.

Going Concern
Details on Board's going concern assessment are set out on pages 15-16.

Approved by order of the Board of Trustees on 26 January 2022

and signed on its behalf by:

Jamie Bill
Chair

Tamiko O'Brien
Principal

Independent auditor's report to the members of City and Guilds of London Art School Limited

Opinion

We have audited the financial statements of City and Guilds of London Art School Limited ('the charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities (including the statement of changes in reserves), the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 its income and expenditure, changes in reserves and cash flows for the year then ended;
- have been properly prepared in accordance with the financial reporting standards (FRS102);
- have been prepared in accordance with the requirements of the Companies Act 2006;
- where applicable, funds from whatever source administered by the provider for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- Where applicable, funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- the requirements of the OfS's accounts direction have been met.

We have nothing to report in respect of the following matter in relation to which the OfS requires us to report to you if, in our opinion:

- the charitable company's grant and fee income, as disclosed in note 1 to these Financial Statements has been materially misstated.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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. 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:

Matters on which we are required to report by exception (continued)

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to 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

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Auditor's responsibilities for the audit of the financial statements (continued)
Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), Companies Act 2006, those that relate to data protection (General Data Protection Regulation), certain conditions of OfS registration including compliance with the OfS' latest Accounts Direction; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;

- used data analytics to investigate the rationale behind any significant or unusual transactions;

- tested authorisation controls on expenditure items, ensuring all expenditure was approved in line with the charitable company's financial procedures; and

- performed substantive testing over fee income to gain assurance that the income recognised was materially complete.

Auditor's responsibilities for the audit of the financial statements (continued)
In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP

Hugh Swainson, Senior Statutory Auditor
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31 March 2022

Statement of financial activities (including income and expenditure statement, which includes statement of changes in reserves) Year to 31 August 2021

	Notes	General fund £	Restricted funds £	Endowment funds £	**Year to 31 August 2021 Total funds £**	Year to 31 August 2020 Total funds £
Income and expenditure						
Income and endowments from:						
Charitable activities						
Art School fees		2,119,330	—	—	**2,119,330**	1,934,140
Donations and legacies		224,213	277,582	—	**501,795**	828,166
Investment income & interest received	2	62,154	19,678	—	**81,832**	20,035
Other trading activities		—	—	—	**—**	1,791
Other		89,774	—	—	**89,774**	85,695
Total income		2,495,471	297,260	—	**2,792,731**	2,869,827
Expenditure on:						
Charitable activities						
. Costs of operating the Art School						
.. Teaching staff and personnel	6	1,101,557	—	25,000	**1,126,557**	958,493
.. Support costs	4	947,356	345	1,449	**949,150**	897,800
.. Premises		408,934	—	—	**408,934**	421,993
.. Promotions and publicity	3	87,067	—	—	**87,067**	53,975
. Bursaries, scholarships and prizes	5	—	355,462	9,890	**365,352**	285,161
Total expenditure		2,544,914	355,807	36,339	**2,937,060**	2,617,422
Net (expenditure) income before gains on investments and transfers	5	(49,442)	(58,548)	(36,339)	**(144,329)**	252,405
Transfer Between Funds		37,779	—	(37,779)	**—**	—
Net gains on investments	10	—	26,608	151,292	**177,900**	10,229
Net (expenditure) / income and net movement in funds		(11,663)	(31,940)	77,174	**33,571**	262,634
Statement of changes in reserves						
Net (expenditure) / income and net movement in funds		(11,663)	(31,940)	77,174	**33,571**	262,634
Reconciliation of Funds						
Fund balances brought forward on 1 September 2020		32,165	460,705	1,069,491	**1,562,361**	1,299,727
Fund balances carried forward at 31 August 2021		20,502	428,765	1,146,665	**1,595,932**	1,562,361

All of the charitable company's activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 August 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		**189,986**		216,492
Investments	10		**1,609,826**		1,398,489
			1,799,812		1,614,981
Current assets					
Stocks	11	**24,472**		22,391	
Debtors	12	**254,407**		249,676	
Cash at bank and in hand		**924,255**		678,655	
		1,203,134		950,722	
Creditors: amounts falling due within one year	13	**(1,226,458)**		(1,003,342)	
Net current liabilities			**(23,324)**		(52,620)
Creditors: amounts falling due after one year	14		**(180,556)**		—
Total net assets			**1,595,932**		1,562,361
Represented by:					
The Funds of the Charity					
Endowment funds	15		**1,146,665**		1,069,491
Income funds:					
Restricted funds	16		**428,765**		460,705
Unrestricted funds:					
General fund			**20,502**		32,165
			1,595,932		1,562,361

Approved by the Board on 26 January 2022

and signed on its behalf by:

Jamie Bill
Chair

Tamiko O'Brien
Principal

City and Guilds of London Art School Limited: A company limited by guarantee, Company Registration No. 07817519 (England and Wales)

Statement of cash flows 31 August 2021

	Notes	Year to 31 August 2021 £	Year to 31 August 2020 £
Net cash flows from operating activities	A	**217,795**	525,376
Net cash flows from investing activities	B	**76,880**	(134,440)
Change in cash and cash equivalents in the year		**294,675**	390,936
Cash and cash equivalents at the beginning of the year		**739,086**	348,150
Cash and cash equivalents at the end of the year	C	**1,033,761**	739,086

Notes to the statement of cash flows for the year to 31 August 2021

A Reconciliation of net income (expenditure) to net cash provided by operating activities

	2021 £	2020 £
Net (expenditure) income	**(144,329)**	252,405
Depreciation charge	**48,891**	53,700
Dividends, interest and rents from investments	**(81,832)**	(20,035)
Effect of capitalisation of investment manager's fees	**(1,794)**	(2,588)
(Increase) in stocks	**(2,080)**	(3,717)
(Increase) in debtors	**(4,731)**	(56,503)
Increase in creditors	**403,671**	302,114
Net cash provided by operating activities	**217,795**	525,376

B Cash flows from investing activities:

	2021 £	2020 £
Dividends and interest from investments	**81,832**	20,035
Purchase of tangible fixed assets	**(22,285)**	(8,022)
Payments to acquire investments	**(508,635)**	(234,195)
Receipts from the disposal of investments	**525,968**	87,742
Net cash used in investing activities	**76,880**	(134,440)

C Analysis of cash and cash equivalents

	31 August 2021 £	31 August 2020 £
Cash at bank and in hand	**924,255**	678,655
Cash held by investment managers	**109,506**	60,431
	1,033,761	739,086

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Office for Students' Accounts Direction 2020/21.

The Charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
- the provision against doubtful and bad debts in respect to Art School fees; and
- estimates in respect of accrued expenditure.

Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Art School held negative free reserves of £169,484 as at 31 August 2021 (2020 – negative free reserves of £184,327). The Board intends to achieve, as circumstances permit, an increase in the free reserves from present levels in order to provide liquidity to meet any future temporary shortfalls in income and to provide adequate working capital. The Art School now holds expendable endowments totalling £966,851 (2020: £907,859). These expendable endowments are available to provide liquidity to the Art School if needed.

In light of the above, the Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Art School to continue as a going concern.

Income

Income is recognised in the period in which the Art School is entitled to receipt and the amount can be measured with reasonable certainty.

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable include contributions received from restricted funds for scholarships, bursaries and other grants.

Donations are recognised when received and are only accrued where the Art School can demonstrate entitlement to receipt and the amount is measurable and receipt is probable.

Investment income comprises dividends and interest receivable. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest payable on investment assets is recognised on an accruals basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered. Expenditure comprises the following:

1 The costs of charitable activities involving expenditure on the Art School's primary charitable purpose, i.e. the operation of the Art School. In addition bursaries, scholarships and prizes are given to students.

1.1 The costs of operating the Art School include the costs of premises, teaching staff and personnel, support costs including governance costs, and costs of promoting and publicising the Art School and its activities.

Included within support costs are 50% of the fees incurred in managing the School's investment portfolio. The remaining 50% of investment manager's fees are debited to the value of cash held by investment manager on the balance sheet (note 10) and also deducted from unrealised investment gains.

1.2 Bursaries, scholarships and prizes payable by the restricted funds are included in the statement of financial activities when approved, and when set off against the fees to which they relate.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure includes any attributable VAT which cannot be recovered. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Tangible fixed assets
All assets costing more than £250 and with an expected useful life exceeding one year are capitalised.

Assets are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

- Fixtures and fittings 10% on cost
- Tools and equipment 20% on cost
- Computer and hi-tech equipment 33% on cost
- Website 20% on cost

Debtors
Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors
Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the Charity anticipates it will pay to settle the debt.

Investments
Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited, or debited, to the statement of financial activities in the year in which they arise.

Financial instruments
The Art School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Art School and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial instruments (continued)
Financial liabilities – trade creditors, accruals, the loan and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stocks
Stocks, comprising artists' materials for resale, are stated at cost.

Fund accounting
The general fund comprises those monies which may be used towards meeting the charitable objectives of the Art School at the discretion of the Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor.

The endowment funds comprise both permanent and expendable endowments. Permanent endowments are monies which must be held as capital indefinitely. The income therefrom can be used for general purposes and is credited directly to unrestricted funds.

Expendable endowments are monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

Leased assets
Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged on a straight-line basis over the lease term.

Pension costs
Contributions to employees' personal pension plans are debited to the statement of financial activities in the year in which they are payable to the relevant plans.

1 Grant and fee income

	Year to 31 August 2021 £	Year to 31 August 2020 £
Fee income for taught awards	**2,119,330**	1,934,140
Total grant and fee income	**2,119,330**	1,934,140

The School had no other types of grant and fee income as detailed in clause 23 of the Office for Students Accounts Direction.

2 Investment income and interest receivable

	General fund £	Restricted and endowment funds £	Year to 31 August 2021 total £
Income from UK investments			
. Unit trusts and common investment funds	62,075	19,678	**81,753**
Bank interest	79	—	**79**
	62,154	19,678	**81,832**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2020 total £*
Income from UK investments			
. Unit trusts and common investment funds	*13,402*	*5,687*	*19,089*
Bank interest	*929*	*17*	*946*
	14,331	*5,704*	*20,035*

3 Promotion and publicity

	General fund £	Restricted and endowment funds £	Year to 31 August 2021 total £
Marketing	87,067	—	**87,067**
	87,067	—	**87,067**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2020 total £*
Marketing	*53,975*	—	*53,975*
	53,975	—	*53,975*

4 Support costs

	General fund £	Restricted and endowment funds £	**Year to 31 August 2021 total £**
Staff costs	515,766	25,000	**540,766**
Equipment, IT and depreciation	157,010	—	**157,010**
Student materials and project expenses	82,204	—	**82,204**
Other support costs	135,522	1,794	**137,316**
Governance costs:			
. Legal and professional fees	16,492	—	**16,492**
. Statutory audit services	14,066	—	**14,066**
. Non statutory audit services	1,296	—	**1,296**
	922,356	26,794	**949,150**

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2020 total £*
Staff costs	*514,064*	—	*514,064*
Equipment, IT and depreciation	*149,035*	—	*149,035*
Student materials and project expenses	*73,571*	—	*73,571*
Other support costs	*130,314*	*2,588*	*132,902*
Governance costs:			
. Legal and professional fees	*13,221*	—	*13,221*
. Statutory audit services	*13,800*	—	*13,800*
. Non statutory audit services	*1,206*	—	*1,206*
	895,211	*2,588*	*897,799*

5 Net expenditure

This is stated after charging:

	General fund £	Restricted and endowment funds £	**Year to 31 August 2021 total £**
Staff costs (note 6)	1,642,323	25,000	**1,667,323**
Auditor's remuneration:			
. Statutory audit services	14,066	—	**14,066**
. Non-statutory audit services	1,296	—	**1,296**
Depreciation and loss on disposals	48,891	—	**48,891**
Operating lease rentals			
. Land and buildings	293,429	—	**293,429**
. Equipment	28,659	—	**28,659**
Bursaries, scholarships and prizes	—	365,352	**365,352**

5 Net expenditure (continued)
This is stated after charging:

	General fund £	*Restricted and endowment funds £*	*Year to 31 August 2020 total £*
Staff costs (note 6)	*1,418,698*	*50,000*	*1,468,698*
Auditor's remuneration:			
. Statutory audit services	*13,800*	*—*	*13,800*
. Non-statutory audit services	*1,206*	*—*	*1,206*
Depreciation and loss on disposals			
Operating lease rentals	*53,700*	*—*	*53,700*
. Land and buildings	*233,054*	*—*	*233,054*
. Equipment	*26,563*	*—*	*26,563*
Bursaries, scholarships and prizes	*—*	*285,161*	*285,161*

Bursaries were paid to 57 individuals (2020 – 63) during the year.

6 Staff costs and Trustees' remuneration

	Year to 31 August 2021 £	Year to 31 August 2020 £
Staff costs during the year were as follows:		
Salaries	**1,276,908**	1,154,929
Social security costs	**99,228**	83,100
Pension	**59,630**	53,209
	1,435,766	1,291,238
Self-employed tutors	**215,944**	151,528
Other staff costs	**15,613**	25,933
	1,667,323	1,468,699

Staff costs analysed by function were as follows:

	Year to 31 August 2021 £	Year to 31 August 2020 £
Teaching	**1,126,557**	954,634
Support, administration and management	**540,766**	514,064
	1,667,323	1,468,698

The average number of employees, all of whom are engaged in the operation of the Art School, analysed by function and on a full time equivalent basis was:

	Year to 31 August 2021	Year to 31 August 2020
Teaching	**27**	23
Support, administration and management	**12**	11
	39	34

The average number of employees, all of whom are engaged in the operation of the Art School, was 83 (2020 – 71) for the year ended 31 August 2021. Many of these are employed on a part-time basis.

6 Staff costs and Trustees' remuneration (continued)

The Principal's total remuneration in the year ended 31 August 2021 was as follows:

	2021 £	2020 £
Basic salary	**71,400**	70,933
Pension contribution	**3,570**	3,547
	74,970	74,480

The Board of Trustees Remuneration Committee chaired by the Chair of the Board of Trustees considers the case for annual pay increases. The Principal is line managed by the Chair of the Board and their salary, together with all other salaries, is considered by the Remuneration Committee with proposals made to the full Board. The Chair of Students (Student Trustee) is a member of the Remuneration Committee while the Principal and Head of Finance now attend to provide information. The Company Secretary is the clerk to the committee. The Principal, Head of Finance and Company Secretary are not members of the Remuneration Committee, and do not attend when their own salaries are under consideration. The School has given regard to the Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs.

As at 31 August 2021, the Accountable Officer's basic salary is 2.37 times (2020 – 2.37 times) the median pay of staff, where the median pay is calculated on a full time equivalent basis for all staff contracted on an annual salary basis. There were no performance related payments made to the accountable officer in 2020/21.

No Trustees received any remuneration or other emoluments in respect of their services as a member of the Board during the year (2020 – none). In addition to the Accountable Officer, there was one further Trustee who was employed by the School part-time in the year ended 31 August 2021 and received gross pay of £21,346 (2020 - £18,343) and employer's pension contributions of £1,067 (2020 - £917) in respect of that employment. No expenses were reimbursed to Trustees during the year (2020 – none). The numbers of employees earning greater than £60,000 during the year were as follows:

	2021 No.	2020 No.
£65,001 - £70,000	**—**	—
£70,001 - £75,000	**1**	1
	1	1

Pension contributions in respect of these employees amounted to £3,570 (2020 – £3,547).

The aggregate remuneration, including employer's pension contributions paid to key management personnel and employer's national insurance, was £479,394 (2020 – £444,475).

Key management personnel during the year consisted of the Principal, seven Heads of Department, Head of Finance and the Head of Academic Affairs and Quality.

6 Staff costs and Trustees' remuneration (continued)

The Art School has purchased insurance to protect itself from any loss arising from the neglect or defaults of its Trustees, employees and agents and to indemnify the Trustees or other officers against the consequences of any neglect or default on their part. The insurance premium provided cover of up to a maximum of £2 million.

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2020 between restricted, endowment and unrestricted funds:

	Notes	General fund £	Restricted funds £	Endowment funds £	Year to 31 August 2020 Total funds £
Income and expenditure					
Income and endowments from:					
Charitable activities					
. Art School fees		1,934,140	—	—	1,934,140
Donations and legacies		90,334	484,347	253,485	828,166
Investment income	2	14,331	5,704	—	20,035
Other trading activities		1,791	—	—	1,791
Other		85,695	—	—	85,695
Total income		2,126,291	490,051	253,485	2,869,827
Expenditure on:					
Charitable activities					
. Costs of operating the Art School					
.. Teaching staff and personnel	6	904,634	3,859	50,000	958,493
.. Support costs	4	895,212	580	2,008	897,800
.. Premises		351,018	70,975	—	421,993
.. Promotions and publicity	3	53,975	—	—	53,975
. Bursaries, scholarships and prizes	5	—	280,663	4,498	285,161
Total expenditure		2,204,839	356,077	56,506	2,617,422
Net (expenditure) income before gains on investments and transfers	5	(78,548)	133,974	196,979	252,405
Net gains on investments	10	—	1,063	9,166	10,229
Net (expenditure) / income and net movement in funds		(78,548)	135,037	206,145	262,634
Statement of changes in reserves					
Net (expenditure) / income and net movement in funds		(78,548)	135,037	206,145	262,634
Reconciliation of Fund balances brought forward on 1 September 2019		110,713	325,668	863,346	1,299,727
Fund balances carried forward at 31 August 2020		32,165	460,705	1,069,491	1,562,361

8 Taxation

City and Guilds of London Art School Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9 Tangible fixed assets

	Fixtures, fittings, tools, computer equipment website £
Cost	
At 1 September 2020	764,350
Additions	22,385
At 31 August 2021	**786,735**
Depreciation	
At 1 September 2020	547,858
Charge for year	48,891
At 31 August 2021	**596,749**
Net book values	
At 31 August 2021	**189,986**
At 1 September 2020	216,492

10 Investments

	2021 £	2020 £
Listed investments and cash		
Opening market value at 1 September	**1,338,059**	1,178,788
Additions	**508,637**	234,195
Disposals (including realised losses of £29,559)	**(496,510)**	(102,158)
Capitalised investment manager's fees	**1,794**	2,588
Unrealised investment gains	**148,340**	24,645
	1,500,320	1,338,058
Cash held by investment manager	**109,506**	60,431
Total market value of investments at 31 August	**1,609,826**	1,398,489
Cost of listed investments - 31 August	**830,155**	1,298,579

Listed investments and cash held at 31 August 2021 comprised the following:

	2021 £	2020 £
Fixed interest	**—**	496,509
Multi Asset Fund	**1,500,320**	841,549
	1,500,320	1,338,058
Cash held by investment managers	**109,506**	60,431
	1,609,826	1,398,489

All investments were dealt in on a recognised stock exchange.

10 Investments (continued)

At 31 August 2021, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	Market value £
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	16.0	258,100
Cazenove Charity Multi Asset Fund S Units GBP Distribution	40.7	654,482
SUTL Cazenove Charity Responsible	29.9	481,111

At 31 August 2020, the following individual holdings were deemed material in the light of the market value of the portfolios:

	% of portfolio	Market value £
Cazenove Charity Multi Asset Fund S Units GBP Accumulation	16.7	223,306
Cazenove Charity Multi Asset Fund S Units GBP Distribution	27.6	369,414
SUTL Cazenove Charity Responsible	18.7	250,828
St James' Place Global Equity Fund – Acc	8.4	112,781
St James' Place Strategic Managed Fund – Acc	6.8	90,860
St James' Place Managed Growth Fund – Acc	5.9	79,017
St James' Place Balanced Managed Fund – Acc	6.4	85,161
St James' Place Corporate Bond – Acc	6.3	84,196

11 Stocks

	2021 £	2020 £
Materials for resale	**24,472**	22,391

12 Debtors

	2021 £	2020 £
Student fees outstanding	**94,081**	70,837
Other debtors	**310**	300
City and Guilds Art School Property Trust	**—**	2,469
Prepayments and accrued income	**160,016**	176,070
	254,407	249,676

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Student fees in advance	**925,640**	875,400
Trade creditors	**59,298**	15,738
Taxation and social security	**26,556**	20,664
Other creditors	**13,742**	28,811
CBIL Loan	**41,667**	—
Accruals and other deferred income	**81,656**	62,729
City & Guilds Art School Property Trust	**77,899**	—
	1,226,458	1,003,342

14 Creditors: amounts falling due after one year

	2021 £	2020 £
CBIL Loan – payable between two and five years	**180,556**	—
	180,556	—

The interest rate attached to the loan is based on a floating rate, and will be less than 2.9905% per annum.

15 Endowment funds

The capital funds of the Art School include permanent endowments and expendable endowments. The permanent endowments are comprised of monies which must be retained as capital indefinitely. The expendable endowments are comprised of monies which were given to the Art School as capital but there is no restriction on them being converted into expendable income.

	At 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	**At 31 August 2021 £**
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	161,632	—	(219)	18,401	**179,814**
	161,632	—	(219)	18,401	**179,814**
Expendable endowments					
Margaret Ballardie bequest	461,509	—	(17,500)	82,087	**526,096**
Idun Ravndal Memorial Legacy	252,706	—	(20,279)	28,761	**261,188**
Other endowments	193,644	—	(36,120)	22,043	**179,567**
	907,859		(72,899)	132,891	**966,851**
Total endowments	1,069,491	—	(74,118)	151,292	**1,146,665**

The income from the endowment funds is included in unrestricted general funds. Reflected in the above is a transfer of operating costs to endowment funds, which was approved by the Board.

The Idun Ravndal Memorial Legacy was received in 2019/20 and the School plans to expend this over 25 years in line with the donor's wishes. Since no proportionate transfer of expenditure to the Fund or to the Margaret Ballardie bequest was made in 2019/20 balancing provision have been made in 2020/21.

15 Endowment funds (continued)

	At 1 September 2019 £	*Income* £	*Expenditure* £	*Gains, losses and transfers* £	*At 31 August 2020* £
Permanent endowments					
Edward Chadwyck-Healey Bequest and Memorial Appeal Fund	*157,915*	*—*	*(485)*	*4,202*	*161,632*
	157,915	*—*	*(485)*	*4,202*	*161,632*
Expendable endowments					
Margaret Ballardie bequest	*462,995*	*—*	*—*	*(1,486)*	*461,509*
Idun Ravndal Memorial Legacy	*—*	*253,485*	*(779)*	*—*	*252,706*
Other endowments	*242,436*	*—*	*(55,242)*	*6,450*	*193,644*
Total endowments	*863,346*	*253,485*	*(56,506)*	*9,166*	*1,069,491*

16 Restricted funds

The income funds of the Art School include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance at 1 September 2020 £	Income from invest-ments £	Donations £	Expenditure £	Realised/ unrealised gains on invest -ments £	**Balance at 31 August 2021 £**
Annual Bursaries Fund	106,321	—	267,982	(349,196)	—	**25,107**
Saul Bursary Fund	36,611	3,246	—	(50)	4,389	**44,196**
Charles Noble/Peter Chance Scholarship F	23,104	2,048	—	(31)	2,769	**27,890**
Rodney Burn RA Scholarship Fund	37,965	3,366	—	(51)	4,551	**45,831**
Simon Birch Memorial Bursary Fund	66,909	5,931	—	(153)	8,020	**80,707**
Edith and Stephen Burnett Memorial Fund	3,548	315	—	(5)	425	**4,283**
David Ballardie Memorial Award Fund	34,572	3,065	—	(47)	4,144	**41,734**
Idun Ravndal Travel Award	1,826	162	—	(152)	219	**2,055**
Other prize and special funds	17,441	1,546	9,600	(6,122)	2,091	**24,556**
Books & Paper Conservation Project	112,408	—	—	—	—	**112,408**
Recovery Appeal	20,000	—	—	—	—	**20,000**
	460,705	19,678	277,582	(355,807)	26,608	**428,765**

16 Restricted funds (continued)

The specific purposes for which the funds are to be applied are given by their descriptions in the table above. The main purposes are the awarding of scholarships, bursaries and prizes.

	Balance at 1 September 2019 £	*Income from invest-ments* £	*Donations* £	*Expenditure* £	*Realised/ unrealised gains on invest -ments* £	*Balance at 31 August 2020* £
Annual Bursaries Fund	*110,746*	*—*	*262,229*	*(266,654)*	*—*	*106,321*
Saul Bursary Fund	*35,599*	*945*	*—*	*(109)*	*176*	*36,611*
Charles Noble/Peter Chance Scholarship F	*22,466*	*596*	*—*	*(69)*	*111*	*23,104*
Rodney Burn RA Scholarship Fund	*36,915*	*980*	*—*	*(113)*	*183*	*37,965*
Simon Birch Memorial Bursary Fund	*65,014*	*1,725*	*—*	*(152)*	*322*	*66,909*
Edith and Stephen Burnett Memorial Fund	*3,450*	*92*	*—*	*(11)*	*17*	*3,548*
David Ballardie Memorial Award Fund	*35,569*	*944*	*—*	*(2,117)*	*176*	*34,572*
Idun Ravndal Travel Award	*1,959*	*52*	*—*	*(195)*	*10*	*1,826*
Other prize and special funds	*13,950*	*370*	*14,875*	*(11,823)*	*69*	*17,441*
Books & Paper Conservation Project	*—*	*—*	*187,243*	*(74,835)*	*—*	*112,408*
Recovery Appeal	*—*	*—*	*20,000*	*—*	*—*	*20,000*
	325,668	*5,703*	*484,347*	*(356,078)*	*1,064*	*460,705*

17 Analysis of net assets between funds

	General fund £	Restricted funds £	Endowment funds £	**Total 2021 £**
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	189,986	—	—	**189,986**
Investments	34,396	428,765	1,146,665	**1,609,826**
Current assets	1,203,134	—	—	**1,203,134**
Creditors: amounts falling due within one year	(1,226,458)	—	—	**(1,226,458)**
Creditors: amounts falling due after one year	(180,556)	—	—	**(180,556)**
Total net assets	**20,502**	**428,765**	**1,146,665**	**1,595,932**

	General fund £	*Restricted funds* £	*Endowment funds* £	*Total 2020* £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	*216,492*	*—*	*—*	*216,492*
Investments	*—*	*381,671*	*1,016,818*	*1,398,489*
Current assets	*819,015*	*79,033*	*52,674*	*950,722*
Creditors: amounts falling due within one year	*(1,003,342)*	*—*	*—*	*(1,003,342)*
Total net assets	*32,165*	*460,704*	*1,069,492*	*1,562,361*

17 Analysis of net assets between funds (continued)

The total unrealised gains as at 31 August 2020 constitute movement on revaluation and are as follows:

	2021 £	2020 £
Unrealised gains included above		
On listed investments as at 31 August	**148,340**	191,426
Reconciliation of movements in unrealised gains		
Unrealised gains at 1 September 2020	**191,426**	166,781
Unrealised gains on listed investments arising in the year	**148,340**	24,645
Total unrealised gains at 31 August 2021	**339,766**	191,426

18 Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Art School being wound up members are required to contribute an amount not exceeding £1 each.

19 Leasing commitments

Operating leases

At 31 August 2021 the Art School had the following commitments under non-cancellable operating leases:

	Land and buildings		Equipment	
	2021 £	2020 £	**2021 £**	2020 £
Operating leases which expire:				
Within one year	**293,429**	289,929	**28,659**	28,659
Between two and five years	**661,120**	850,498	**56,704**	85,363
Over five years	**1,025,351**	1,005,247	**—**	—
	1,979,900	2,145,674	**85,363**	114,022

The land and buildings operating leases relate to the site at Kennington Park Road and the sub-lease of premises in the Old Vauxhall Telephone Exchange in nearby Kennings Way from the Property Trust for the period up to the first break clause.

20 Related party transactions

Until his resignation from the Art School Board in October 2020, the Property Trust had one Trustee (B. Finucane) in common with the Art School. The Art School charged a management fee of £43,796 (2020 – £41,077) to the Property Trust during the year. The Property Trust charged the Art School rent, including VAT, of £293,307 (2020 – £233,054) and also charged a management fee of £14,376 (2020 – £6,975). No grants were received from the Property Trust in respect of the year (2020 – £nil).

An amount of £0 was received from Trustees (2020: £180 from one Trustee as a Summer School payment).

21 Post balance sheet events

There were no post balance sheet events to consider.