

***THE ARMOURERS & BRASIER***

***GAUNTLET TRUST***

Charity Registration number: 279204

***REPORT AND ACCOUNTS***

***31 March 2022***

# *The Armourers & Brasiers' Gauntlet Trust*

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**31 March 2021**

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## *The Armourers & Brasiers' Gauntlet Trust*

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31 March 2022

Charity Registration Number	279204
Founder	The Worshipful Company of Armourers & Brasiers
Trustees	E B Pitt (Chairman) Prof. W Bonfield Dr R Bowdler (Appointed 1 July 2021) NJ Davies MJ Goulette (Resigned – 1 July 2021) JRH Hale Prof Emma Ream
Secretary	P Bateman
Chief Executive	A M Clift
Nature of Governing Instrument	Declaration of Trust dated 21 November 1979
Registered Office	Armourers' Hall 81 Coleman Street London EC2R 5BJ
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	C Hoare & Co 37 Fleet Street London
Fund Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ

**TRUSTEES' REPORT**

*Year to 31 March 2022*

The trustees present their statutory report together with the accounts of The Armourers and Brasiers' Gauntlet Trust ('the Trust' or 'the charity') for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out on pages 13 to 15 of the attached accounts and comply with the charity's trust deed, applicable laws 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 UK and Republic of Ireland (FRS 102).

**GOVERNANCE, STRUCTURE AND MANAGEMENT**

**Governance**

The Armourers and Brasiers' Gauntlet Trust is governed by a Declaration of Trust dated 21 November 1979. The Trust is registered under the Charities Act 2011 with Charity Registration Number 279204.

The power to appoint trustees is vested in the Worshipful Company of Armourers & Brasiers and is exercised by resolution of the Court of Assistants of the Worshipful Company. When new trustees are appointed, they are given an introduction to the work of the Trust and provided with the information they need to fulfil their role.

The trustees who served during the year are listed on page 1.

The trustees meet three times annually to review the Trust's finances, to consider applications and to approve grants. The Chief Executive is responsible for the day to day administration of the Trust. Oversight of grants in support of Materials Science education and research is delegated to an expert sub-committee, the Materials Science Committee, chaired by a trustee who reports at the trustees' meetings. A significant proportion of grants are made on a recurrent basis, and approved as part of annual budget approval. Applications to those grant programmes for which there is an open application process should be made via the website ([www.armourershall.co.uk/funding-grants](http://www.armourershall.co.uk/funding-grants)).

**Trustees' responsibilities statement**

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which gave a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these accounts, 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 accounts; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy, at any time, the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

### **Key management personnel**

The key management personnel comprise the Trustees, Secretary to the Trust and the Chief Executive. The remuneration of the Chief Executive is determined by the Trustees. The Trustees are not remunerated but may claim expenses. A charge is made from the Worshipful Company of Armourers and Brasiers to the Trust for some of the costs of the management and administration of the charity.

### **Risk management**

The principal risks faced by the Trust lie in the performance of investments; the risk of ineffective grant making; and the capacity of the Trust to maintain the level of grant making in conjunction with corporate partners.

- The trustees consider variability of investment returns on investments to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio. The investment manager reports to the trustees in person once a year but is available for consultation and supplies written reports at their request.
- The operational risk from ineffective grant making is mitigated by:
  - confirming the charitable status and other eligibility criteria agreed by the trustees for the recipients of grants under the small charities programme;
  - retaining trustees of sufficient skill and expertise to chair the Materials Science sub-committee and ensuring that the other members of the Materials Science sub-committee together provide an appropriate range and depth of knowledge of the UK Materials Science sector; and
  - maintaining links at senior level with universities, institutions and military units through which prizes and other grants are awarded.
- The risk of a reduction in the level of grant making in conjunction with our corporate partners is mitigated by careful stewardship of those relationships including annual impact reporting and consultation about the joint programmes at meetings and through other regular contact. The trustees seek opportunities to extend their contacts throughout the UK Materials Science community.

## **ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES**

### **Objectives and activities**

The Declaration of Trust establishing the Trust directs that with the consent of the Court of Assistants of the Worshipful Company of Armourers and Brasiers, the Trust shall support all or any institutions or purposes as the trustees shall from time to time think fit.

The charity meets these objectives by making grants in accordance with the grant making policy below.

TRUSTEES' REPORT  
Year to 31 March 2022

**ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)**

**Grant making policy**

The trustees make a large number of individual small grants in support of education, materials science and general charitable purposes. Additionally, the Armourers & Brasiers' Rolls-Royce, the Armourers & Brasiers' AWE and the Armourers & Brasiers' Materials Processing Institute schemes are run jointly with Rolls-Royce plc, AWE and the Materials Processing Institute respectively to fund students of materials science.

Full lists of the grants made can be found in appendices A to E.

**Investment policy**

The charity has a portfolio of investments with a market value as at 31 March 2022 of £9,770,554 (2021 - £9,275,776).

Investment powers held by the trustees have been delegated to the fund manager, Rathbone Investment Management Limited. The trustees monitor the performance of the fund manager against the objective of a balance of capital growth and income with a medium level of risk.

The Trustees have decided that for future years the Trust will draw down for expenditure each year a stable amount, likely to be about 2.75% of the capital value together with the expending of members annual contributions & to a small extent reserves. This will enable the Trustees to plan expenditure based on a stable income and will also allow the fund managers, Rathbones, greater flexibility to invest so as to generate money for the Trust to spend each year both from dividend income and capital growth.

The trustees are satisfied that their investment policy is being pursued as agreed.

**Public benefit**

The trustees confirm that they have complied with their duty under Section 11 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 charity during the year in furtherance of its charitable purposes, and the trustees are satisfied that all such activities provide a public benefit.

**Review of activities**

The objectives, as set out above, were achieved during the current year. Grants of £35,325 (2021 - £21,625) were made to 74 (2021 55) individuals and 60 grants of £227,042 (2021 - £1,163,742) were made to educational institutions, the remainder of grants (£35,000) were paid to charitable organisations.

**Another Unusual Year**

Covid-19 continued to challenge our core beneficiaries and partners: the UK's Materials Science community from schools to universities and industry; and the Small Charities sector. The trustees awarded Covid Recovery Grants to key university partners to mitigate the delays to research experienced by doctoral students. As the education sector resumed normal working the trustees were pleased to be able to reintroduce the popular School Science Grant and Research Student Travel Grant programmes. To support the recovery from pandemic disruption the trustees decided to increase the number of new small charity partners for the reported year from four to six.

TRUSTEES' REPORT  
Year to 31 March 2022

**ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)**

**Another Unusual Year (continued)**

Whilst investment income continued to be unpredictable, the trustees were able to maintain support in line with the Trust's objectives by drawing on reserves.

**Investment performance**

The investment managers continued to invest in accordance with the trustees' investment policy set out earlier in this report. At the end of the year the charity's portfolio of fixed asset investments comprised 38.9% (2021 - 44.9%) listed UK equities, 4.4% (2021 - 4.9%) UK government stock and fixed interest securities, and 56.7% (2021 - 50.3%) overseas equities, alternatives and cash.

The trustees are concerned with the performance but are keeping the investment objectives of the fund.

**FINANCIAL REVIEW**

**Results for the year**

A summary of the year's results can be found on page 10 of the report and accounts.

During the year the trustees received £74,379 (2021 - £87,948) from individuals including gift aid. Investments produced income of £200,815 (2021 - £190,770) and interest on cash deposits and other income of £3,389 (2021 - £427) was received.

During the year £25,000 (2021 - £25,000) was received from Rolls-Royce plc, £25,000 (2021 - £25,000), from AWE, and £30,000 (2021 - £30,000) from the Materials Processing Institute. A further £29,500 of unrestricted funds have been applied to the programmes funded by these partners. Outside of the externally funded schemes, a total of £83,437 (2021 - £45,686) has been donated by the trust for the benefit of students in materials science

The total income for the year was £361,583 (2021 - £366,695) and the trustees, in accordance with the objects of the trust, have made grants of £291,367 (2021 - £1,185,367). The 2021 figures included an exceptional amount of, £1,000,000 awarded to Imperial College London towards the creation of The Armourers & Brasiers Chair in Materials Science.

TRUSTEES' REPORT  
Year to 31 March 2022

**Reserves policy**

The Trustees' policy is to distribute all investment dividend and partnership income, and to distribute members' annual donations insofar as dividend income does not cover budgeted expenditure for the year. Other donations are accumulated and added to invested funds.

The trustees are of the opinion that the current level of unrestricted reserves provides sufficient flexibility to cover temporary shortfalls in income due to timing differences in income flows.

**Financial position**

The balance sheet shows total funds of £9,854,984 (2021 - £9,411,490) comprising expendable endowment funds of £9,670,185 (2021 - £9,223,762), restricted funds of £850 (2021 - £20,100) and unrestricted funds (free reserves) of £183,949 (2021 - £167,628). The trustees consider that this level of free reserves matches the parameters set out in the charity's reserves policy above and they, therefore, consider free reserves to be adequate but not excessive.


**FUTURE PLANS**

The trustees do not anticipate any significant changes to the charity or its activities over the next two to five years. It is their intention to meet the following objectives:

- To monitor the investment performance so that if at all possible, it achieves the criteria set by them so that there are sufficient funds to meet their grant giving policies.
- To continue to make grants at a similar level.
- To maintain regular contact with donors and beneficiaries to support informed decision-making and strategy development for the charity.
- To continue to make grants in line with income.

Approved by the trustees on 10 November 2022

Trustee



Turkey  
EDWARD PITT



## ***The Armourers & Brasiers' Gauntlet Trust***

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### **INDEPENDENT AUDITOR'S REPORT**

*Year to 31 March 2022*

#### **Opinion**

We have audited the financial statements of The Armourers and Brasiers' Gauntlet Trust for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The Trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT**

*Year to 31 March 2022*

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustee for the financial statements**

As explained more fully in the Trustee's responsibilities statement set out on page 2, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee 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 Trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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

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

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory framework applicable to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and other factors such as taxation.

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

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions.

**INDEPENDENT AUDITOR'S REPORT** *(continued)*

*Year to 31 March 2022*

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**Use of our report**

This report is made solely to the charity's trustee, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

*Haysmacintyre LLP*

Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 14 December 2022

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

## *The Armourers & Brasiers' Gauntlet Trust*

### STATEMENT OF FINANCIAL ACTIVITIES

Year to 31 March 2022

	Notes	General Fund £	Expendable Endowment Fund £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Income from:						
Donations and gifts	1	62,379	-	92,000	154,379	175,498
Investment income	2	204,204	-	-	204,204	190,770
Interest received					-	427
Charitable activities	3	3,000	-	-	3,000	-
<b>Total Income</b>		<b>269,583</b>	<b>-</b>	<b>92,000</b>	<b>361,583</b>	<b>366,695</b>
Expenditure on:						
Raising funds:	4	-	36,276	-	36,276	29,746
Charitable activities	5	253,262	-	111,250	364,512	1,258,843
<b>Total Expenditure</b>		<b>253,262</b>	<b>36,276</b>	<b>111,250</b>	<b>400,788</b>	<b>1,288,589</b>
<b>Net Income before gains on investments</b>		<b>16,321</b>	<b>(36,276)</b>	<b>(19,250)</b>	<b>(39,205)</b>	<b>(921,894)</b>
Net gains/(losses) on investments	10	-	482,699	-	482,699	1,881,964
<b>NET MOVEMENT IN FUNDS</b>		<b>16,321</b>	<b>446,423</b>	<b>(19,250)</b>	<b>443,494</b>	<b>960,070</b>
<b>FUND BALANCES BROUGHT FORWARD</b>		<b>167,628</b>	<b>9,223,762</b>	<b>20,100</b>	<b>9,411,490</b>	<b>8,451,420</b>
<b>FUND BALANCES CARRIED FORWARD</b>		<b>183,949</b>	<b>9,670,185</b>	<b>850</b>	<b>9,854,984</b>	<b>9,411,490</b>

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

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

The accompanying notes form part of the financial statements.

## *The Armourers & Brasiers' Gauntlet Trust*

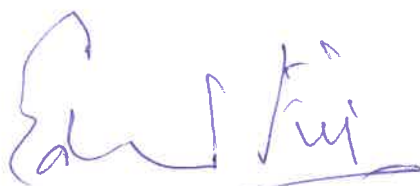
### BALANCE SHEET

Year to 31 March 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Fixed asset investments	10	9,770,554	9,275,776
<b>CURRENT ASSETS</b>			
Stock		10,517	8,243
Debtors	11	59,913	50,685
Cash at bank and in hand		88,979	146,509
		<u>159,409</u>	<u>205,437</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(74,979)	(69,723)
<b>NET CURRENT ASSETS</b>			
		<u>84,430</u>	<u>135,714</u>
<b>TOTAL NET ASSETS</b>			
		<u>9,854,984</u>	<u>9,411,490</u>
<b>FUNDS AND RESERVES</b>			
Expendable endowment fund	13	9,670,185	9,223,762
Restricted funds		850	20,100
Unrestricted funds			
Designated fund		-	19,331
General fund		183,949	148,297
		<u>9,854,984</u>	<u>9,411,490</u>

The accompanying notes form part of the financial statements.

Approved and authorised for issue by the trustees on 10 November 2022 and signed on their behalf by:

Trustee   
Trustee  
EDWARD PITT

## *The Armourers & Brasiers' Gauntlet Trust*

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### STATEMENT OF CASHFLOWS

	2022	2021
	Total funds	Total funds
	£	£
Cash flows from operating activities (see note below)		
Net cash used in operating activities	(249,654)	(1,197,796)
Cash flows from investing activities		
Investment income received	204,204	191,197
Purchase of investments	(4,616,417)	(2,486,002)
Proceeds from sale of investments	4,620,062	2,104,691
(Increase)/decrease in investment cash	<u>(15,726)</u>	<u>910,075</u>
Net cash provided by investing activities	192,123	719,961
Change in cash and cash equivalents in year	(57,531)	(477,835)
Cash and cash equivalents at the beginning of the year	<u>146,510</u>	<u>624,345</u>
Cash and cash equivalents at the end of the year	<u><u>88,979</u></u>	<u><u>146,510</u></u>

Note: reconciliation of net income to cash flows from operating activities

	2022	2021
	Total funds	Total funds
	£	£
Net income per the Statement of Financial Activities	443,494	960,070
Deduct increase in stock / add: decrease in stock	(2,274)	1,360
Deduct: investment gains	(482,699)	(1,881,964)
Deduct: investment income receivable	(204,204)	(191,197)
Deduct: increase in debtors/add: decrease in debtors	(9,228)	10,810
Add: increase in creditors / deduct: decrease in creditors	<u>5,256</u>	<u>(96,875)</u>
Cash flows from operating activities	<u><u>(249,654)</u></u>	<u><u>(1,197,796)</u></u>

No reconciliation of net debt has been provided as the charity has no borrowings.

The accompanying notes form part of the financial statements.

## *The Armourers & Brasiers' Gauntlet Trust*

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### NOTES TO THE ACCOUNTS

Year to 31 March 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

#### **Basis of preparation**

These accounts have been prepared for the year to 31 March 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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) (SORP), Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 may require the trustees and management to make significant judgements and estimates.

There are no items in the accounts where such judgements and estimates have been made.

#### **Assessment of going concern**

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

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

#### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and gifts, investment income and income from charitable activities.

NOTES TO THE ACCOUNTS

Year to 31 March 2022

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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.

Income from charitable activities consists of income received from the Armourers and Brasiers' Cambridge Forum. The income is recognised when receivable and the amount can be measured reliably by the charity; this is normally in the period the event takes place.

**Expenditure recognition**

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.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a. Expenditure on raising funds comprises fees paid to investment managers in connection with the management of the charity's listed investments.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants, the costs of the Armourers and Brasiers' Cambridge Forum and support and governance costs.
- c. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.
- d. Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Support costs also include governance costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

All expenditure is stated inclusive of irrecoverable VAT.



NOTES TO THE ACCOUNTS

Year to 31 March 2022

**Fixed asset investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Creditors and provisions**

Creditors and provisions 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 and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

**Funds structure**

*Expendable endowment fund*

Endowment funds comprise monies which must be held as capital. Where the trustees have a power of discretion to convert endowed capital into income, the fund is known as an expendable endowment. Income arising from the expendable endowment is applied for general charitable purposes.

*Restricted funds*

The restricted funds relate to funds which have been received and their use restricted to a specific purpose, or grants and donations subject to donor imposed conditions.

*General fund*

The general fund, being unrestricted funds, represents those monies which are freely available for application towards achieving any charitable purpose that falls within the objects of the charity.

# *The Armourers & Brasiers' Gauntlet Trust*

## NOTES TO THE ACCOUNTS

Year to 31 March 2022

### 1 DONATIONS AND GIFTS

	<i>General Fund £</i>	<i>General Fund £</i>	<i>Restricted Funds £</i>	<i>2022 Total Funds £</i>
Materials Processing Institute	-	-	30,000	30,000
Rolls-Royce plc	-	-	25,000	25,000
AWE	-	-	25,000	25,000
Donations from individuals	62,379	-	12,000	74,379
Other donations				
2022 Total funds	<u>62,379</u>	<u>-</u>	<u>92,000</u>	<u>154,379</u>

### PRIOR YEAR

	<i>General Fund £</i>	<i>Expendable Endowment Fund £</i>	<i>Restricted Funds £</i>	<i>2021 Total Funds £</i>
Materials Processing Institute	-	-	30,000	30,000
Rolls-Royce	-	-	25,000	25,000
AWE	-	-	25,000	25,000
Donations from individuals	917	75,031	12,000	87,948
Other donations	7,550	-	-	7,550
2021 Total funds	<u>8,467</u>	<u>75,031</u>	<u>92,000</u>	<u>175,498</u>

### 2 Income from Investments

	<i>2022 Unrestricted funds £</i>	<i>2021 Unrestricted funds £</i>
Investment portfolio	200,815	190,770
Interest	<u>3,389</u>	<u>427</u>
	<u>204,204</u>	<u>191,197</u>

### 3. Income from Charitable Activities

	<i>2022 Unrestricted funds £</i>	<i>2021 Unrestricted funds £</i>
Armourers & Brasiers' Cambridge Forum	<u>3,000</u>	<u>-</u>

## *The Armourers & Brasiers' Gauntlet Trust*

### NOTES TO THE ACCOUNTS

Year to 31 March 2022

#### 4. Expenditure on raising funds

	2022 Expendable endowment fund £	2021 Expendable endowment fund £
Investment management fees	<u>36,276</u>	<u>29,746</u>

#### 5. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2022 Total Funds £
Grants payable (note 6) Armourers & Brasiers'	180,117	111,250	291,367
Cambridge Forum	3,000	-	3,000
Support Costs (note 7)	<u>70,145</u>	<u>-</u>	<u>70,145</u>
2022 Total Funds	<u>253,262</u>	<u>111,250</u>	<u>364,512</u>

#### PRIOR YEAR 2021

	Unrestricted Funds	Restricted Funds	2021 Total Funds £
Grants payable (note 6) Armourers & Brasiers'	256,467	928,900	1,185,367
Cambridge Forum	73,476	-	73,476
Support Costs (note 7)	<u>73,476</u>	<u>-</u>	<u>73,476</u>
2021 Total Funds	<u>329,943</u>	<u>928,900</u>	<u>1,258,843</u>

#### 6 Grants Payable

	2022 Total Funds £	2021 Total Funds £
Armourers & Brasiers' Rolls-Royce Scheme	55,400	15,750
Armourers & Brasiers' Materials Processing Institute Scheme	34,500	33,000
Armourers & Brasiers' AWE Scheme	38,850	21,150
Charitable grants towards materials science	83,537	47,686
Other charitable grants	79,080	67,781
Imperial College London – Armourers and Brasiers Chair in Materials Science	<u>-</u>	<u>1,000,000</u>
Further details are provided in appendices A-G	<u>291,367</u>	<u>1,185,367</u>

**NOTES TO THE ACCOUNTS**

Year to 31 March 2022

**6 Grants Payable (continued)**

The charity makes grants in accordance with its grant making policy set out in the trustees' report. The grants made by the charity in the year are listed in appendices A to G attached to these accounts. During the year 74 (2021 - 55) grants totalling £35,325 (2021 - £21,625) were paid to individuals. Grants to 60 educational institutions totalling £227,042 (2021 - £1,163,742) & the remainder of grants were paid to charitable organisations. £30,000 was paid to 10 small charities and £5,000 to the DEC Ukraine Appeal.

**7 Support Costs**

	2022 Total Funds £	2021 Total Funds £
Administration charge from the Worshipful Company of Armourers & Brasiers	13,856	13,759
Staff Costs	51,945	50,605
Office expenses	2,447	2,512
Auditors Remuneration for Audit Services	1,896	6,600
	<u>70,145</u>	<u>73,476</u>

**8 Staff Costs and remuneration of trustees and key management personnel**

The charity employed one member of staff (2021 - one). Total staff costs were: gross pay £41,045 (2021 - £39,405) employer's national insurance £4,507 (2021 - £4,257), pensions £5,938 (2021 - £5,821) and life insurance £456 (2021 - £1,122).

No trustee received any remuneration or reimbursed expenses in respect of their services as a trustee during the year (2021 - £nil).

**9 TAXATION**

The Armourers and Brasiers' Gauntlet Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities as they fall within the exemptions available to registered charities.

**10 FIXED ASSET INVESTMENTS**

Movements in fixed asset investments during the year were as follows:

	2022 £	2021 £
Market value at 1 April 2021	9,134,229	6,870,954
Additions at cost	4,616,417	2,486,002
Disposal proceeds	(4,620,062)	(2,104,691)
Net gains/(losses) in the year	<u>482,699</u>	<u>1,881,964</u>
Market value at 31 March 2022	9,613,283	9,134,229
Cash held by investment managers	<u>157,271</u>	<u>141,547</u>
	<u>9,770,554</u>	<u>9,275,776</u>
Cost of fixed asset investments at 31 March 2022	<u>7,811,575</u>	<u>6,648,532</u>

## *The Armourers & Brasiers' Gauntlet Trust*

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### NOTES TO THE ACCOUNTS

Year to 31 March 2022

#### 10 FIXED ASSET INVESTMENTS (CONTINUED)

Fixed asset investments held at 31 March comprised the following:

	2022	2021
	£	£
Listed investments		
Fixed Interest Securities	432,112	451,433
Investment Companies	1,119,490	788,667
UK Equities	3,796,667	4,167,579
Overseas Equities	4,265,009	3,726,550
	<u>9,613,278</u>	<u>9,134,229</u>

All listed investments were dealt on a recognised stock exchange.

#### 11 DEBTORS

	2022	2021
	£	£
Tax recoverable on investment income	82	594
Investment income receivable	59,831	33,659
Other debtors and prepayments		16,432
	<u>59,913</u>	<u>50,685</u>

#### 12 CREDITORS

	2022	2021
	£	£
Worshipful Company of Armourers & Brasiers		-
Accruals and Deferred income	30,668	24,350
Grant Creditors	43,118	44,250
Other Creditors	1,192	1,123
	<u>74,978</u>	<u>69,723</u>

#### 13 EXPENDABLE ENDOWMENT FUNDS

The expendable endowment fund comprises donations to the charity to be held initially as capital, including any resultant realised or unrealised movement on investments. Subsequently, the Trustees are empowered to expend the capital but under no obligation to do so.

## *The Armourers & Brasiers' Gauntlet Trust*

### NOTES TO THE ACCOUNTS

Year to 31 March 2022

#### 14. Restricted Funds

	At 1 April 2021 £	Income £	Expenditure £	As At 31 March 2022 £
Materials Processing Institute Scheme	-	30,000	(30,000)	-
Rolls-Royce Scheme	16,250	25,000	(40,400)	850
AWE Scheme	3,850	25,000	(28,850)	-
The Peter & Nicki Mason Fund	-	12,000	(12,000)	-
	<u>20,100</u>	<u>92,000</u>	<u>(111,250)</u>	<u>850</u>

#### Prior year 2021

	At 1 April 2020 £	Income £	Expenditure £	As At 31 March 2021 £
Materials Processing Institute Scheme	-	30,000	(30,000)	-
Rolls-Royce Scheme	7,000	25,000	(15,750)	16,250
AWE Scheme	-	25,000	(21,150)	3,850
The Peter & Nicki Mason Fund	-	12,000	(12,000)	-
The Worshipful Company of Armourer and Brasiers	<u>850,000</u>	<u>-</u>	<u>(850,000)</u>	<u>-</u>
	<u>857,000</u>	<u>92,000</u>	<u>(928,900)</u>	<u>20,100</u>

The restricted funds from corporate partners are for grants and awards which meet the requirements of the relevant schemes. The restricted grant from the Worshipful Company of Armourers and Brasiers is to fund a chair in material science at a leading university.

#### 15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	Total 2022 £
Fund balances at 31 March 2022 are represented by:				
Fixed asset investments	100,369	-	9,670,185	9,770,554
Current assets	158,559	850	-	
Creditors: amounts falling due within one year	(74,979)	-	-	(74,979)
Total net assets	<u>183,949</u>	<u>850</u>	<u>9,670,185</u>	<u>9,854,984</u>

## ***The Armourers & Brasiers' Gauntlet Trust***

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### **NOTES TO THE ACCOUNTS**

*Year to 31 March 2022*

#### **15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued) PRIOR YEAR 2021**

	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	Total 2021 £
Fund balances at 31 March 2021 are represented by:				
Fixed asset investments	31,914	20,100	9,223,762	9,275,776
Current assets	205,437	-	-	205,437
Creditors: amounts falling due within one year	(69,723)	-	-	(69,723)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	<u>167,628</u>	<u>20,100</u>	<u>9,223,762</u>	<u>9,411,490</u>

#### **16. RELATED PARTY TRANSACTIONS**

The trustees are members of The Worshipful Company of Armourers & Brasiers, therefore the Worshipful Company is considered to be a related party. Transactions with the Worshipful Company are disclosed in the appropriate notes to the accounts.

Donations from trustees during the year totalled £4,225 (2021 - £4,050).

CHARITABLE GRANTS

ARMOURERS & BRASIER'S' ROLLS ROYCE SCHEME

Year to 31 March 2022

EDUCATION	2022 £	2022 £
School Level:		
Primary schools' equipment grants	4,000	
Secondary schools' equipment grants	4,000	
Salters' chemistry camp	800	
Royal Armouries schools' project	<u>1,000</u>	
		9,800
Undergraduate Level:		
First year university prizes (2 at £250)		
University of Birmingham	500	
University of Cambridge	500	
Imperial College, London	500	
University of Manchester	500	
University of Oxford	250	
Swansea University	500	
Industrial experience awards	<u>7,500</u>	
		10,250
Research Student Level:		
Conference and placement travel grants	11,350	
Covid recovery fund	<u>19,000</u>	
		30,350
Post-Doctoral Level:		
Armourers and Brasiers' Cambridge Forum	1,000	
Armourers' Rolls-Royce Fellowship	<u>4,000</u>	
		5,000
Total		<u><u>55,400</u></u>

Of the above total £44,000 was funded by restricted fund and the balance by unrestricted funds.



CHARITABLE GRANTS

ARMOURERS & BRASIER'S AWE SCHEME

Year to 31 March 2022

EDUCATION	2022 £	2022 £
School Level:		
Schools Outreach by Universities of Oxford & Cambridge and Imperial College	<u>7,000</u>	7,000
Undergraduate Level:		
Industrial experience awards	3,000	
Manchester University Project	5,500	
General undergraduate support	1,000	
Metallurgy awards/bursaries	5,000	
Academic Prizes;	<u>900</u>	15,400
Research Student Level:		
Conference travel grants	6,100	
Research Student Prizes 2 x 250	500	
Special project for centenary of University of Cambridge DMSM		
Armourers & Brasiers' Cambridge Forum	1,000	
COVID Recovery Fund	<u>8,850</u>	16,450
		<u><u>£38,850</u></u>

Of the above total £28,850 was funded by restricted fund and the balance by unrestricted funds.

CHARITABLE GRANTS

ARMOURERS & BRASIER'S MATERIALS PROCESSING INSTITUTE SCHEME

Year to 31 March 2022

<b>EDUCATION</b>	<b>2022 £</b>	<b>2022 £</b>
Research Student Level:		
Millman Scholarships & summer placements	18,159	
Post graduate research symposium & Prizes	<u>15,341</u>	
		33,500
Research Community		
Armourers & Brasiers' Cambridge Forum 2023	1,000	1,000
		<u><u>34,500</u></u>

Of the above total £30,000 was funded by restricted fund and the balance by unrestricted funds.

CHARITABLE GRANTS

CHARITABLE GRANTS TOWARDS MATERIAL SCIENCE

Year to 31 March 2022

EDUCATION	2022 £	2022 £
School Level:		
Primary schools science programme	3,000	
Secondary schools science programme	12,000	
Sixth Form Material Prizes	1,700	
SATRO. Problem solving challenge	1,000	
Salters' Festivals of Chemistry	4,200	
Royal Armouries materials project (Fort Nelson)	1,000	
Armourers Ambassador Challenge	2,500	
University school links	4,000	
		29,400
Undergraduate Level:		
Undergraduate Summer Placements & Experience (GT administered)	2,300	
Sheffield Hallam University forensic engineering scholarships (1st & final year only)	1,200	
Industrial Experience Awards	19,000	
Swansea University, entry sponsorship (Max per annum)		
		22,500
University Medals & Awards for Excellence		
Aston University	250	
University of Bath	250	
University of Birmingham	250	
University of Cambridge (2 @ £250 plus one medal)	500	
Cranfield University (4 x 150 )	600	
Imperial College, London	1,000	
Loughborough University (2 @ £250 plus 2 medals)	500	
University of Manchester	250	
University of Nottingham	250	
University of Oxford	250	
Queen Mary University of London	250	
Royal College of Art	500	
University of Sheffield	250	
Sheffield Hallam University	250	
University of Southampton	250	
University of Strathclyde	500	
Swansea University	250	
University College, London	250	
Medals. (27 x £34)	675	7,275

CHARITABLE GRANTS

CHARITABLE GRANTS TOWARDS MATERIAL SCIENCE (CONTINUED)

RESEARCH STUDENT LEVEL

Oxford bursary	2,000	
Post graduate conferences and placements	1,100	
		3,100

POST DOCTORAL LEVEL

Cambridge fellowship (March)	2,500	
Distinguished visiting Fellow	1,300	
Grant re Mary Rose Trust	1,500	
		5,300

PROFESSIONAL INSTITUTIONS

Institute of Materials -Young Persons' lecture competition (6 regional prizes of £150 each)	900	
Armourers & Brasiers Royal Academy of Engineering Prize (prize money, medal and administration charge)	2500	
Institute of Materials Robert Perrin Medal	562	
		3,962

THE MASON FUND

Summer placements	10,000	
Other activities	2,000	
		12,000
		<b>84,537</b>

Of the above total £12,000 was funded by the Mason restricted fund and the balance by unrestricted funds.

## CHARITABLE GRANTS

## OTHER AWARDS &amp; GRANTS

Year to 31 March 2022

<b>AWARDS &amp; GRANTS</b>	<b>2022</b>	<b>2022</b>
<b>COMMUNITY &amp; ARMED FORCES</b>	<b>£</b>	<b>£</b>
Prizes		
Royal Navy - Armourers prize	250	
- Armoury prize	250	
- Junior Weapon Engineering Officer prize	250	
Britannia Royal Naval College	250	
Army		
Royal Electrical & Mechanical Engineers, Artificer	500	
Weapons Course x 2 (2020 and 2021 prizes)		
Royal Armoured Corps. (3 courses, 3x binoculars)		
Royal Air Force		
8 Squadron	250	
Cost of medals (£25 x 7)	175	
		1,925
<u>Military Reserves</u>		
First Aid Nursing Yeomanry	500	
<u>Military Charities</u>		
VC & GC Association	500	
Royal British Legion	500	
<u>Community</u>		
Alexander Forsyth award & medal	550	
Sheriffs' & Recorder's Fund	500	
		2,550
<b>CHILDREN/YOUTH/EDUCATION</b>		
The Ulysses Trust	2,000	
Livery Schools Link	125	
Army Cadet units (Whipps Cross)	2,000	
		4,125
<b>MEDICAL/HEALTH</b>		
Hospice (Richard House)	2,000	
		2,000
<b>ARTS/ARMS/ARMOUR</b>		
Fanfare Prize	250	
West Dean College - Armour studentship	1,000	
		1,250

## CHARITABLE GRANTS

## OTHER AWARDS &amp; GRANTS (CONTINUED)

Year to 31 March 2022

2022

2022

	£	£
CHRISTIAN MISSION		
St Margaret Lothbury	1,000	
St Paul's Cathedral	<u>500</u>	
		1,500
GAUNTLET TRUST SUBSCRIPTION SUPPER	2,730	
LORD MAYOR'S APPEAL	<u>4,000</u>	
		6,730
OCCASIONAL GRANTS		
Scarabeus Aerial Theatre	9,000	
The Compassionate Friends	9,000	
The Rodolfus Foundation	9,000	
The Spitz Charitable Trust	9,000	
Teddy's Wish	9,000	
Changing Tunes	9,000	
DEC Ukraine Appeal	<u>5,000</u>	
		<u>59,000</u>
<b>TOTAL OTHER CHARITABLE GRANTS</b>		<u><b>79,080</b></u>

Occasional grants to small charities are for three years. They are booked in the audited accounts in the financial year the grant is made. In practice the Trust paid out, in 2021/2022, 10 grants of £3,000 each to ten charities, totalling £30,000.