

APPRENTICING CHARITY
(ADMINISTERED BY THE WORSHIPFUL
COMPANY OF SADDLERS)
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

31 March 2022

Contents

	Page
Trust information	2 - 3
Trustee report	4 - 7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11 - 20

**Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)**

Trust information - 31 March 2022

Reference and administrative information

Trustee

The Trustee is identified in the current Charity Commission Scheme as “The Wardens or Keepers and Commonalty of The Mistery or Art of Saddlers of The City of London”. This is the old, formal title of The Worshipful Company of Saddlers or, more commonly, The Saddlers’ Company. The Company is guided by the Court of Assistants comprising the Prime Warden (or Master if there is no Perpetual Master), three Wardens, a number of Past Masters and Junior Assistants, but not including Assistants who have become Honorary Assistants. These Court members therefore act on behalf of the Company Trustee. Those who have served during the year ended 31 March 2022 are as follows:

The Hon M A Maffey	(Prime Warden – from 22 July 2021 Key Warden – to 22 July 2021)
Mrs L M Atherton	(Key Warden – from 22 July 2021 Quarter Warden – to 22 July 2021)
Mr H W M Taylor	(Quarter Warden – from 22 July 2021 Renter Warden – to 22 July 2021)
Mr B W Laurie	(Renter Warden – from 22 July 2021)
Mr D S Snowden	
Mr D T L Hardy	
Mr J T M Satchell	
Mr W J Dyson-Laurie	
Mr P C Laurie	
Mr P M Farmar	
Mrs P M C Jameson	
Mr M P Farmar	
Mr C E Barclay	
Mr J C Robinson	
Mr E H Thomas	
Mr J D G Welch	
Mr N W d’A Mason	(Prime Warden – to 22 July 2021)
Rev Canon AMJ Haviland	(Junior Assistant)
Mr E M S Bullen	(Junior Assistant)
Mr M Romain	(Junior Assistant)
Miss A Mackaness	(Junior Assistant)

**Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)**

Trust information - 31 March 2022

Reference and administrative information (continued)

Chief Executive

Clerk to the Worshipful Company of Saddlers

Brigadier P M L Napier OBE

Principal office

Saddlers' Hall
40 Gutter Lane
London.
EC2V 6BR

Charity number

312166

Investment managers

Rathbone Brothers PLC
8 Finsbury Circus
London
EC2M 7AZ

Bankers

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Independent examiners

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Field
London
WC2A 4AB

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Trustee report – year ended 31 March 2022

Trustee report for the year ended 31 March 2022

The Trustee presents the report and the financial statements of the Apprenticing Charity for the year ended 31 March 2022. The financial statements have been prepared in accordance with applicable United Kingdom accounting standards including Financial Reporting Standard 102 (FRS102).

Structure, Governance and Management

Trust Deed: The Apprenticing Charity was established by a Charity Commission Scheme (A/58,662) on 16 July 1897, combining the charities of Richard Banner, Sarah Ewer and Samuel Gunton, all regulated between 1840 and 1876 by the High Court of Chancery or the Charity Commission. The current Charity Commission Scheme governing the Charity is dated 18 October 1983. The Charity does not take part in fundraising activities and continues its work through the careful husbandry of its existing resources.

Induction to the Court of Assistants: New members of the Court of Assistants of the Worshipful Company of Saddlers (WCS or the Company) are elected by the Court from members of the Senior Livery of the Company. On election, they are briefed by the Clerk on the duties and responsibilities of being a charity trustee, and are encouraged to attend external training seminars and courses. The Charities Administrator and the Financial Controller run induction sessions explaining charity finance and policies and procedures. The issues of outputs, outcomes, impact and public benefit are explored.

Trustee Responsibilities: The full Court retains ultimate trustee responsibility, however for more effective trusteeship; functions of trusteeship are delegated to the Charities Committee. The Court retains a supervisory role, and approves all grant-making decisions; however recommendations to make grants, and the day to day management of the charity, are the responsibility of the Charities Committee which reports to the Court after every meeting. The Court's Finance and Investment Committee decides on investment policy and takes day-to-day investment decisions within the overall investment strategy.

Risk Assessment Policy: The Charities Committee carries out, at least once per year, a wide-ranging review of risks to which the Charity may be vulnerable to assess the probability of any of them affecting the Charity and the severity of the impact on the Charity if they were to arise. The latest review was conducted in November 2021 and the Trustee agreed that the process had been thorough and appropriate and that the major risks to which the Charity is exposed have been reviewed and that systems are in place to mitigate any foreseeable risks.

The major risk to which the charity is exposed is the performance and value of its investments given the potential market volatility. This is mitigated by a statement of investment principles, quarterly detailed reporting and regular review meetings with the investment managers.

Objectives, grant-making policy and public benefit

Under the current Charity Commission Scheme, *"the Trustees shall apply the income of the Charity in either or both of the following ways:*

- a. In assisting persons who are in need of financial assistance and who are preparing for, entering upon or engaged in any profession, trade, occupation or service by providing them with outfits or by paying fees, travelling or maintenance expenses, or by such other means for their advancement in life or to enable them to earn their own living as the Trustee thinks fit; and*
- b. In otherwise promoting the education (including social and physical training) of such persons.*

Preference shall be given to persons qualified as aforesaid who have not attained the age of 25 years, or who are connected with the saddlery trade and who are resident or work in the area within 25 miles of Charing Cross, London or the area of the District of Walsall."

Within the above objectives, the Trustee in the 2016 Charities Review reinforced their commitment to supporting those connected with the saddlery trade. Grants are approved by the Trustee, following recommendations made by the Trade Liaison Committee of the WCS which meets twice annually to discuss matters concerning the saddlery trade and saddlery training. The Trustee looks to assist saddlery trainees in the development of their craft skills, to encourage the pursuit of excellence in saddlery and to develop saddlery training standards and qualifications for the trade.

Reports are received from individuals and organisations who are involved in the provision of saddlery training and these are considered by the Trustee, alongside other grants that the Trustee may wish to make in order to finance and encourage existing trainees and to encourage new entrants into saddlery training.

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Trustee report – year ended 31 March 2022

Objectives, grant-making policy and public benefit (continued)

Grants are made from three funds operated by the Charity, as follows:

1. Restricted fund for the Saddlers' City & Guilds Bursary Grants: The Company had previously joined the City & Guilds Corporate Community Involvement Programme through which a grant of £20,000 (2021: £20,000) was made available to assist those undertaking City & Guilds saddlery qualifications. This is treated as a Restricted Fund within the Apprenticing Charity and is used for grants to saddlery students under training who face difficulty in raising the required course and qualification fees or who would otherwise be prevented from attending such a course due to funding issues.
2. Designated funds for the Millennium Apprenticeship Scheme (MAS): In the year ended 31 March 2000, following the Charity Commission's approval, a sum of £57,200 from the reserves of the Apprenticing Charity was invested, together with an additional £42,800 from the Company's corporate funds, to form an expendable endowment fund of £100,000 to create the Saddlery Millennium Apprenticeship Scheme. Income from this fund is designated by the Trustee to be used to assist the training of apprentices within the Scheme. At 31 March 2022, there were 12 (2021: 12) apprentices within the Scheme. Grants are made to these apprentices towards course fees, tools and travelling expenses as well as providing limited bursaries and prizes for excellence. The costs of the assessors of these apprentices are also met from this fund.
3. Unrestricted funds for routine activities: Any grants allocated by the Trustee that do not fall within either of the above two funds will be made from this fund. An innovative training certificate scheme was launched in summer 2008 aimed mostly, but not exclusively, at supporting trainee saddlers working in Walsall, West Midlands. A further related Scheme was launched in March 2012 to provide similar support for apprentices and trainees working under a Master Saddler in other (rural) areas of the UK. Trainees under both schemes receive vocational training and are subject to independent assessment to verify their attainment of pre-set standards. If they have met those standards, grants are then paid to help offset the training costs incurred.

The Trustee confirms that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting grant making policies.

It is their policy that they will only provide grants with demonstrable impact and public benefit.

Investment policy and review

The Trustee wishes to ensure that the capital base of the Charity is maintained in real terms and where possible, enhanced in the long-term interest of those individuals and organisations which the Charity assists.

The Trustee has agreed that the investment policy would best be executed by holding the Apprenticing Charity investments, along with the investments of the other charities administered by The Worshipful Company of Saddlers (WCS), namely the Saddlers' Company Charitable Fund and the Robert Kitchen Charity (see related party note 15), in a balanced discretionary portfolio administered by charity investment specialists, Rathbone Brothers PLC. The combined portfolios were unitised as at 1st April 2016, whereby the individual charities share in the benefits of a larger, more diverse and balanced portfolio, all benefitting proportionately from capital appreciation and dividend yields.

The Trustee reviewed the Charity's investment strategy and agreed an objective of achieving a total return, on a rolling 10 year basis, of 4.0% p.a., after inflation and fees. This target is challenging and the performance of the portfolio is monitored on a quarterly basis by the Finance and Investment Committee of WCS.

The annualised total return during the 5 years to 31 March 2022 was 6%.

The financial activities of the charity were not materially affected by the Covid crisis. The charity worked hard to mitigate effects of the pandemic. No staff were furloughed and no government assistance was provided to the Trust.

Global economic output recovered strongly from the effects of the Covid-19 pandemic through most of 2021, helped by the rollout of vaccines and strong fiscal and monetary support. Investment markets have been generally weaker and more volatile in early 2022 as a result of concerns over rising interest rates and higher inflation, both compounded by Russia's invasion of Ukraine. Despite this uncertainty, the charity's investment portfolio delivered a return of 8.3% net of all costs during the year to 31st March 2022. The next 12 months are likely to remain volatile as investors look for greater certainty on where inflation and interest rates are heading, as well as heightened geopolitical risk. The Charity's investment assets are managed with a view to long term growth. There are no restrictions on the Charity's power to invest.

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Trustee report – year ended 31 March 2022

Reserves policy

In line with the funds operated by the Charity, as described under “Objectives, grant-making policy and public benefit”, the Trustee has set a reserve policy as follows:

1. Restricted Fund - Saddlers' City & Guilds Bursary Grants: It is the intention of the Trustee not to hold a significant reserve for the Restricted Fund. Any underspend or overspend of income will be carried forward to the following year. Reserves at the year-end were £3,316 (2021: £8,046).
2. Unrestricted funds-designated fund - Millennium Apprenticeship Scheme (MAS): As this is a designated fund within the Apprenticing Charity, the Trustee has concluded that it is not necessary to hold reserves as any grants in excess of income are funded from the unrestricted general fund.
3. Unrestricted funds-general fund: Following the 2016 Charity Review (with the objectives of the Apprenticing Charity very much at the forefront of its charitable aims), the Trustee concluded that as a grant-giving body which aims to distribute each year sums equivalent to its net income, there is no need for material reserves. Grants awarded in the year were below budget which resulted in an increase in reserves at 31st March 2022 to £35,740 (2021: £35,642).

Financial review

The Charity had total income of £48,274 (2021: £49,319) of which £28,274 (2021: £29,319) was investment income and £20,000 (2021: £20,000) was a grant from the City & Guilds Institute of London.

After deducting grants paid of £47,362 (2021: £21,750), investment management fees of £7,214 (2021: £6,268) and support and governance costs of £5,544 (2021: £5,430), the Charity had a deficit for the year of £11,846 (2021: £15,871 surplus).

There were net realised gains in the investment portfolios of £37,175 (2021: £13,221 gains) and net unrealised gains of £56,543 (2021: £300,923 gains) which left the portfolio valued at £1,470,570 at 31 March 2022 (2021: £1,383,962). The balance sheet shows total funds of £1,513,632 (2021: £1,431,760).

The Trustee considers the Charity's position to be satisfactory.

Achievements and performance

The Apprenticing Charity supports the vocational training of those who seek to obtain recognised qualifications and/or learn the technical skills involved in saddlery making and working with leather. There are limited opportunities in the UK for such training and the main centres are The Saddlery Training Centre (STC) in Salisbury, Capel Manor College in Enfield and The Walsall Leather Skills Centre (WLSC) in the West Midlands.

Students and trainees at all three establishments benefit from the funding that is provided by the Apprenticing Charity and its constituent Funds (the City & Guilds/Saddlers' Company Bursary Fund and the Millennium Apprenticeship Scheme Fund). During the Covid pandemic in 2020 and 2021, numbers in training were adversely impacted but there has been a recovery in 2021-22 with enrolments on training courses rising again.

Apprentice enrolments on the L2 Leather Craftsperson and L3 Bespoke Saddler are recovering with 13 enrolled during the year. 15 trainees are pursuing C&G saddlery qualifications at both the WLSC and the STC and 13 are enrolled in the full time diploma course at Capel Manor. Capel Manor additionally has 13 more students studying part-time for C&G qualifications (skills assessments) in saddlery.

12 apprentices were enrolled on the Company's Millennium Apprenticeship Scheme which has more a demanding requirement than the government apprenticeship in terms of the length of training which has to be undertaken. The Millennium Apprenticeship Fund supports their training with allowances towards training expenses. As further encouragement the Apprenticing Charity makes available funds for prizes at the National Saddlery Competition and for prize awards at the Saddlery Training Centre (2) and Capel Manor College (5).

A major grant is provided by the Apprenticing Charity to support the training centre in Walsall which is focussed on providing employment opportunities in the saddlery trade for local young people. The Saddlers Company/City & Guilds Bursary Fund distributed over £20k in bursary support to students studying for the City & Guilds saddlery skills assessments. This Fund helps new entrants who are not eligible for financial support under any other schemes obtain the training and qualifications to establish themselves as working saddlers across the UK. All bursary awards are means tested.

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Trustee report – year ended 31 March 2022

Achievements and performance (continued)

The thrust of charitable support for saddlery training is to sustain craft and manufacturing skills in an area where training is expensive and highly technical.

The overall impact of Apprenticing Charity funding is to support access to training and skills development in a small but traditionally important sector where funding and training opportunities are limited, and to encourage through competition and awards the highest possible standards in the work of the trainees and apprentices.

Trustee Responsibilities Statement

The Trustee is responsible for preparing the trustee report and the financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice), including FRS102.

The law applicable to charities in England & Wales requires the trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the movement in fund of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the 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.

On behalf of the Trustee


M A Maffey

Prime Warden, The Worshipful Company of Saddlers

25 July 2022

**Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)**

Independent Examiner's Report to the Trustee of Apprenticing Charity

Independent examiner's report

I report on the financial statements of the Apprenticing Charity for the year ended 31 March 2022, which are set out on pages 9 to 20.

Respective responsibilities of trustee and examiner

The trustee is responsible for the preparation of the financial statements. The trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

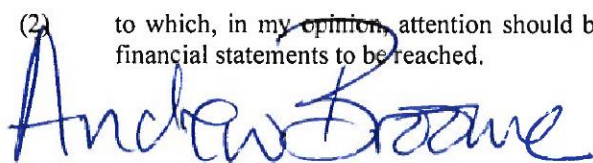
Independent examiner's statements

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Andrew Broome ACA
For and on behalf of Haysmacintyre LLP
Chartered Accountants
10 Queen Street Place
London EC4R 1AG

1. August 2022

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Statement of financial activities - year ended 31 March 2022

	Note	2022 Unrestricted funds £	2022 Restricted fund £	2022 Endowment funds £	2022 Total funds £	2021 Total funds £
Income and endowments from:						
Voluntary income	2	—	20,000	—	20,000	20,000
Investment income	3	28,274	—	—	28,274	29,319
Total income		28,274	20,000	—	48,274	49,319
Expenditure on:						
Investment management costs	4	—	—	7,214	7,214	6,268
Charitable activities	5	28,176	24,730	—	52,906	27,180
Total expenditure		28,176	24,730	7,214	60,120	33,448
Net income/(expenditure) before investment gains and losses		98	(4,730)	(7,214)	(11,846)	15,871
Net unrealised and realised gains on investments	6	—	—	93,718	93,718	314,145
Net income and movement in funds		98	(4,730)	86,504	81,872	330,016
Total funds brought forward at 1 April		35,642	8,046	1,388,072	1,431,760	1,101,744
Total funds carried forward at 31 March		35,740	3,316	1,474,576	1,513,632	1,431,760

Continuing operations

All income and expenditure are derived from continuing activities.

The notes on pages 11 to 20 form part of these financial statements

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Balance sheet – at 31 March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Investment portfolio at market value	6		1,470,570		1,383,962
Current assets					
Debtors	7	4,265		4,702	
Stock		938		1,126	
Cash on deposit		—		58,999	
Cash at bank and in hand		61,894		1,872	
		<u>67,097</u>		<u>66,699</u>	
Creditors: Amounts falling due within one year	8	<u>(24,035)</u>		<u>(18,901)</u>	
Net current assets			43,062		47,798
Total net assets			<u>1,513,632</u>		<u>1,431,760</u>
Represented by:					
Funds and reserves					
Permanent endowment funds	9	1,313,211		1,236,198	
Expendable endowment fund	10	<u>161,365</u>		<u>151,874</u>	
			1,474,576		1,388,072
Restricted fund	11		3,316		8,046
Unrestricted funds:					
Designated fund	12	—		—	
General fund	13	<u>35,740</u>		<u>35,642</u>	
			<u>35,740</u>		<u>35,642</u>
Total funds			<u>1,513,632</u>		<u>1,431,760</u>

Approved by the trustee on 25th July.....2022 and signed on their behalf by:

M.A. Maffey
M A Maffey
Prime Warden, The Worshipful Company of Saddlers

The notes on pages 11 to 20 form part of these financial statements

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

1 Basis of accounting

1.1 Accounting convention

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) – (Charities SORP (FRS 102), second edition applicable from January 2020), 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 Trustee considers that there are no material uncertainties about the Charity's ability to continue as a going concern.

The Trustee has taken advantage of the exemption available to smaller charities and not presented a statement of cashflows.

1.2 Income recognition

Dividends and distributions from investments and all other income, e.g. grants and legacies are accounted for on a receivable basis.

1.3 Expenditure

Expenditure is included on an accruals basis.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants and donations being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Support costs comprise costs for processing applications and payments of grants and donations, including support to actual and potential applicants and the costs for running of the Charity itself.

1.4 Investment portfolio

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 Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Apprenticing Charity (Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

1 Basis of accounting (continued)

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales 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. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.5 Fund accounting

Endowment funds

Endowment funds comprise monies which are held as capital.

In the year ended 31 March 2000, the Charity received a donation of £42,800 from the Saddlers' Company's corporate funds which, with a transfer of £57,200 from the reserves of the Charity with the Charity Commission's approval, formed an expendable endowment fund. The Trustee has the power to convert this fund into income.

The balance of the Charity's donated capital arises from the predecessor charities that have now been incorporated into the Apprenticing Charity. Those charities had objects that referred to the application of income. As these predecessor charities date back centuries, and the intention of the donors is no longer known, the Trustee has concluded that it is reasonable to assume that the capital had been donated to be held permanently and consequently this capital forms permanent endowment funds. The trustee has no power to convert these funds into income.

The Charity generally does not engage in fundraising but relies upon its investments to generate income from which its grants and donations are made.

Restricted funds

Restricted funds comprise unexpended income where its use is restricted to a specific purpose or was raised for that purpose. Expenditure for those specific purposes is charged against restricted funds.

Unrestricted funds – designated fund

Designated funds represent resources that the Trustee has designated for a specific purpose. The Trustee is free to undesignate these funds at any time in which case any balance will revert back to general funds.

Income from the expendable endowment fund is credited to unrestricted funds-designated fund and expended to allow the Charity to meet its objects regarding the Saddlery Millennium Apprenticeship Scheme of assisting the training of apprentices within the Scheme.

Unrestricted funds – general fund

The general fund comprises unexpended income that is available to the Trustee for use at discretion in furtherance of the Charity's objectives.

Income from the permanent endowment funds is credited to unrestricted funds-general fund and applied for general purposes except where the original capital was received by the Charity for a specific purpose in which case the income is credited to restricted funds.

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

	2022 Unrestricted funds £	2022 Restricted fund £	2022 Endowment funds £	2022 Total funds £
2. Voluntary income - 2022				
Grants received	—	20,000	—	20,000
Donations	—	—	—	—
	<u>—</u>	<u>20,000</u>	<u>—</u>	<u>20,000</u>

Grant income represents a grant received from the City & Guilds of London Institute Corporate Community Involvement Programme to assist those undertaking City & Guilds' saddlery qualifications.

In prior year, the grant received of £20,000 was accounted through restricted fund.

	2021 Unrestricted funds £	2021 Restricted fund £	2021 Endowment funds £	2021 Total funds £
Voluntary income - 2021				
Grants received	—	20,000	—	20,000
Donations	—	—	—	—
	<u>—</u>	<u>20,000</u>	<u>—</u>	<u>20,000</u>

Grant income represents a grant received from the City & Guilds of London Institute Corporate Community Involvement Programme to assist those undertaking City & Guilds' saddlery qualifications.

	2022 Unrestricted funds £	2022 Restricted fund £	2022 Endowment funds £	2022 Total funds £
3. Investment income - 2022				
Dividends and distributions from investment portfolio	25,164	3,101	—	28,265
Interest on cash on deposit and at bank	9	—	—	9
	<u>25,173</u>	<u>3,101</u>	<u>—</u>	<u>28,274</u>

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

3. Investment income (continued)

	2021 Unrestricted funds £	2021 Restricted fund £	2021 Endowment funds £	2021 Total funds £
Investment income - 2021				
Dividends and distributions from investment portfolio	26,085	3,215	—	29,300
Interest on cash on deposit and at bank	19	—	—	19
	<u>26,104</u>	<u>3,215</u>	<u>—</u>	<u>29,319</u>

4. Investment management costs - 2022

	2022 Unrestricted funds £	2022 Restricted fund £	2022 Endowment funds £	2022 Total funds £
Investment management fees	—	—	7,214	7,214
	<u>—</u>	<u>—</u>	<u>7,214</u>	<u>7,214</u>

	2021 Unrestricted funds £	2021 Restricted fund £	2021 Endowment funds £	2021 Total funds £
Investment management costs - 2021				
Investment management fees	—	—	6,268	6,268
	<u>—</u>	<u>—</u>	<u>6,268</u>	<u>6,268</u>

5. Charitable activities - 2022

	2022 Unrestricted funds £	2022 Restricted fund £	2022 Endowment funds £	2022 Total funds £
Grants payable	22,632	24,730	—	47,362
Support costs:				
Staff costs	3,880	—	—	3,880
Printing and stationery	96	—	—	96
Travelling expenses	248	—	—	248
Professional fee	1,320	—	—	1,320
	<u>28,176</u>	<u>24,730</u>	<u>—</u>	<u>52,906</u>

Grants awarded to institutions amounted to £20,853 and grants awarded to 30 individuals amounted to £26,509.

In prior year, the charitable activities of £27,180 were accounted through unrestricted funds of £11,153 restricted fund of £16,027.

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

5. Charitable activities (continued)

	2021 Unrestricted funds £	2021 Restricted fund £	2021 Endowment funds £	2021 Total funds £
Charitable activities - 2021				
Grants payable	5,723	16,027	—	21,750
Support costs:				
Staff costs	4,109	—	—	4,109
Printing and stationery	91	—	—	91
Travelling expenses	—	—	—	—
Professional fee	1,230	—	—	1,230
	<u>11,153</u>	<u>16,027</u>	<u>—</u>	<u>27,180</u>

Grants awarded to institutions amounted to £5,296 and grants awarded to 30 individuals amounted to £16,454.

	2022 Total funds £	2021 Total funds £
6. Fixed assets – investment portfolio		
Market value at 1 April 2021	1,383,962	1,075,664
Add: Purchases at cost	163,310	413,470
Less: Sales proceeds	(173,838)	(406,885)
Net realised gains	37,175	13,222
Net unrealised gains	56,543	300,923
Movement in cash held as part of portfolio	3,418	(12,432)
Market value at 31 March 2022	<u>1,470,570</u>	<u>1,383,962</u>
Cost at 31 March 2022	<u>1,224,064</u>	<u>1,193,896</u>

	2022 Total Funds £	2021 Total funds £
7. Debtors		
Sundry debtors	<u>4,265</u>	<u>4,702</u>

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

	2022	2021
	Total	Total
	Funds	funds
	£	£
8. Creditors: Amounts falling due within one year		
Accruals	8,535	3,601
Sundry creditors	500	300
Deferred income	15,000	15,000
	<u>24,035</u>	<u>18,901</u>

9. Permanent endowment funds

The predecessor charities that have now been incorporated into the Apprenticing Charity had objects that referred to the application of income. As these predecessor charities date back centuries, and the intention of the donors is no longer known, the Trustee has concluded that it was reasonable to assume that the capital had been donated to be held permanently.

	2021	2022	2022
	Total	Movement	Total
	£	in Year	£
	£	£	£
Permanent endowment funds - 2022	<u>1,236,198</u>	<u>77,013</u>	<u>1,313,211</u>

The Charity's funds are invested to produce income that is disbursed to allow the Charity to meet its objects.

The income and expenditure are accounted through unrestricted funds-general fund.

	2020	2021	2021
	Total	Movement	Total
	£	in Year	£
	£	£	£
Permanent endowment funds - 2021	<u>962,101</u>	<u>274,097</u>	<u>1,236,198</u>

**Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)**

Notes to the financial statements - 31 March 2022

10 Expendable endowment fund - 2022

In the year ended 31 March 2000, following the Charity Commission's approval, a sum of £57,200 from the reserves of the Apprenticing Charity was invested, together with an additional £42,800 from the Saddlers' Company's corporate funds, to form a capital fund of £100,000 to create the Saddlery Millennium Apprenticeship Scheme.

	2021	2022	2022
	Total	Movement	Total
	£	In Year	£
	£	£	£
Expendable endowment fund	151,874	9,491	161,365

Expendable endowment fund - 2021

	2020	2021	2021
	Total	Movement	Total
	£	In Year	£
	£	£	£
Expendable endowment fund	118,094	33,780	151,874

These funds are invested to produce income that is disbursed to allow the Charity to meet its objects regarding the Saddlery Millennium Apprenticeship Scheme of assisting the training of apprentices within the Scheme.

The income and expenditure are accounted through unrestricted funds-designated fund (see note 12).

11. Restricted fund - 2022

	2021	2022	2022	2022	2022
	Total	Income	Expenditure	Transfer	Total
	funds			between	funds
	£	£	£	funds	£
	£	£	£	£	£
City & Guilds Bursary fund	8,046	20,000	(24,730)	—	3,316

Restricted fund - 2021

	2020	2021	2021	2021	2021
	Total	Income	Expenditure	Transfer	Total
	funds			between	funds
	£	£	£	funds	£
	£	£	£	£	£
City & Guilds Bursary fund	4,073	20,000	(16,027)	—	8,046

The restricted fund represents sums received from the City & Guilds of London Institute Corporate Community Involvement Programme (see note 2) to assist those undertaking City & Guilds' saddlery qualifications.

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

12. Unrestricted funds-designated fund - 2022

	2021	2022	2022	2022	2022
	Total funds	Income	Expenditure	Transfer between funds	Total funds
	£	£	£	£	£
Millennium Apprenticeship Scheme	—	3,102	(4,313)	1,211	—

The designated fund represents income from the expendable endowment fund (see note 10) less expenditure to assist the training of apprentices within the scheme. The transfer from unrestricted funds-general fund represents net deficit for the year of £1,211 (see note 13).

Unrestricted funds-designated fund - 2021

	2020	2021	2021	2021	2021
	Total funds	Income	Expenditure	Transfer between funds	Total funds
	£	£	£	£	£
Millennium Apprenticeship Scheme	—	3,215	(2,952)	(263)	—

The designated fund represents income from the expendable endowment fund (see note 10) less expenditure to assist the training of apprentices within the scheme. The transfer from unrestricted funds-general fund represents net deficit for the year of £263 (see note 13).

13. Unrestricted funds-general fund - 2022

	2021	2022	2022	2022	2022
	Total funds	Income	Expenditure	Transfer between funds	Total funds
	£	£	£	£	£
General fund	35,642	25,172	(23,863)	(1,211)	35,740

The transfer to unrestricted funds-designated fund represents net deficit on that fund for the year of £1,211 (see note 12).

Unrestricted funds-general fund - 2021

	2020	2021	2021	2021	2021
	Total funds	Income	Expenditure	Transfer between funds	Total funds
	£	£	£	£	£
General fund	17,476	26,104	(8,201)	263	35,642

The transfer to unrestricted funds-designated fund represents net income on that fund for the year of £263 (see note 12).

**Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)**

Notes to the financial statements - 31 March 2022

14. Analysis of net assets between funds - 2022

						2022
	Permanent endowment funds	Expendable endowment fund	Restricted fund	Designated fund	Unrestricted fund	Total funds
	£	£	£	£	£	£
Investment portfolio	1,309,223	161,347	—	—	—	1,470,570
Stock	—	—	—	938	—	938
Debtors	—	—	—	468	3,797	4,265
Cash on deposit and at bank	3,988	18	18,316	(156)	39,728	61,894
Creditors	—	—	(15,000)	(1,250)	(7,785)	(24,035)
At 31 March 2022	<u>1,313,211</u>	<u>161,365</u>	<u>3,316</u>	<u>—</u>	<u>35,740</u>	<u>1,513,632</u>

Analysis of net assets between funds - 2021

						2021
	Permanent endowment funds	Expendable endowment fund	Restricted fund	Designated fund	Unrestricted fund	Total funds
	£	£	£	£	£	£
Investment portfolio	1,232,088	151,874	—	—	—	1,383,962
Stock	—	—	—	1,126	—	1,126
Debtors	—	—	—	516	4,186	4,702
Cash on deposit and at bank	4,110	—	23,046	—	33,715	60,871
Creditors	—	—	(15,000)	(1,642)	(2,259)	(18,901)
At 31 March 2021	<u>1,236,198</u>	<u>151,874</u>	<u>8,046</u>	<u>—</u>	<u>35,642</u>	<u>1,431,760</u>

15. Related party transactions

The Charity is connected with the following charities, all of which are guided by the Court of Assistants who hold office by virtue of being members of the Court of Assistants of the Worshipful Company of Saddlers:

Saddlers' Company Charitable Fund, number 261962
The Kaye's & Labourne's Charity - linked to Saddlers' Company Charitable Fund, number 261962/1
Robert Kitchin (Saddlers Co) Charity, number 211169

Staff costs (see note 5) are paid to The Worshipful Company of Saddlers which is a company incorporated by Royal Charter and situated in England and Wales. The Worshipful Company of Saddlers is guided by its Court of Assistants. The members of The Court of Assistants do not have any interests in the assets of The Worshipful Company of Saddlers. At 31 March 2022, the amount of £3,880 (2021: £nil) was owed to The Worshipful Company of Saddlers.

The Charity considers its key management personnel comprise the Wardens who received no remuneration in the year (2021: £nil).

The Trustee has agreed that the investment policy would best be executed by holding the Apprenticing Charity's investments, along with all the investments of the other charities administered by The Worshipful Company of Saddlers, namely the Saddlers Company Charitable Fund and the Robert Kitchin Charity in a pooled discretionary portfolio (see note 6).

Apprenticing Charity
(Administered by the Worshipful Company of Saddlers)

Notes to the financial statements - 31 March 2022

15. Related party transactions (continued)

In 2021-2022, the Apprenticing Charity received its dividend income from the pooled discretionary portfolio via the Saddlers Company Charitable Fund.

At the year end, there following amounts were owed to the Apprenticing Charity.

- Saddlers Company Charitable Fund £nil (2021: £nil)

During the year, the Apprenticing Charity did not receive a grant from the Saddlers Company Charitable Fund (2021: £nil). This was in line with the Saddlers' charitable review.

During the year, the Apprenticing Charity made a donation of £10,000 (2021: £nil) to the Saddlers' Company Charitable Fund towards the Walsall Leather Skills Centre. A payment of £2,480 was made in the year to transfer income for the Walsall Leather Skills Centre and a further £960 was due at the year end (2021: £nil)

Bursaries to apprentices for training, accommodation and qualification fees of £18,600 (2021: £10,570) were paid directly to the Saddlery Training Centre which is owned and managed by a member of the Livery. This relationship is on a commercial arm's length basis and is monitored by the Saddlery Steering Group and also declared in the Members' Declarations of Interests register.