

THE CUTLERS' HALL PRESERVATION TRUST LIMITED
(a company limited by guarantee)

REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

CHARITY INFORMATION

Company registration number: 01655467

Charity registration number: 513038

Registered office:
The Cutlers' Hall
7-15 Church Street
SHEFFIELD
S1 1HG

Council of management:
C J Jewitt Chairman
J E McGee
J H Newman
N D O Williams
J A Kenny
J Tear
V M Clarke (appointed 25 October 2021)
C J Turner (appointed 5 October 2021)
N P Cragg (resigned 25 October 2021)

Company secretary: P J Bates

Key management:
P J Bates
C Winnard

Bankers:	Royal Bank of Scotland 5 Church Street SHEFFIELD S1 2GF	NatWest 42 High Street SHEFFIELD S1 2GE
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Solicitors:
Irwin Mitchell
2 Millsands
SHEFFIELD
S3 8DT

Independent Auditor:
BHP LLP
Chartered Accountants
2 Rutland Park
SHEFFIELD
S10 2PD

Investment advisors:
Investec Wealth & Investment Limited
Beech House
61 Napier Street
SHEFFIELD
S11 8HA

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

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THE CUTLERS' HALL PRESERVATION TRUST LIMITED

REPORT OF THE COUNCIL MANAGEMENT

The Council of Management (who are Trustees of the Charity for the purpose of charity law and Directors for the purpose of Company Law) present their report together with financial statements for the year ended 30 September 2021.

The Report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) published in October 2019.

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

History and objectives

The Cutlers' Hall Preservation Trust Limited (The "Charity"), which was incorporated in the United Kingdom on 30 July 1982, is a company limited by guarantee and is a registered charity.

The objects of the Charity are to preserve and maintain, for the benefit of the townspeople of Sheffield in the County of York and for the nation at large, the historical, architectural and constructional heritage of the Cutlers' Hall. This primary objective, together with a further supporting 19 objectives, is set out in the Memorandum and Articles of Association, which is the Trust's governing document.

Structure, governance and management

Governing document

The Cutlers' Hall Preservation Trust Limited was incorporated on 30 July 1982, is a company limited by guarantee and is a registered charity. It was established under a Memorandum of Association, which established the objects and powers of the charitable company ("the Charity") and is governed under its Articles of Association. In the event of the Charity being wound up all of the 33 Members are required to contribute an amount not exceeding £100.

Recruitment and Appointment of the Council of Management

The management of the Charity is vested in the Council of Management who, for Companies Act purposes, are equivalent to directors and are also Charity Trustees for the purposes of Charity Law. The Council of Management is drawn from the 33 members of the Charity. Under the requirements of the Memorandum and Articles of Association, at the AGM one third of the Members of Council shall retire from office. A retiring member of Council is eligible for re-election.

Council of Management induction and training

Many of the Council of Management are very familiar with the practical work of the Charity as they have been Members of the Charity for several years beforehand and have attended a number of AGMs before being elected to the Council of Management. Some are also Trustees of other charities. All new Members of the Charity are given copies of the Charity Commission publication 'The Essential Trustee: what you need to know' and are given a thorough induction by the Company Secretary.

Achievements and performance

During the year income totalled £213,211 (2020: £117,393) and expenditure of £213,401 (2020: £231,566) was directed towards the principal objective of preserving, insuring and maintaining the Cutlers' Hall.

The Cutlers' Hall and its artefacts have been protected and maintained throughout the year. The Hall was closed following the outbreak of COVID 19 and reopened at the end of July 2021. An Open Day held to coincide with National Heritage Day in September 2021 attracted a large number of visitors to the Hall.

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

REPORT OF THE COUNCIL MANAGEMENT (CONTINUED)

Achievements and performance (continued)

Access: Organised tours of the Hall have now resumed following a period of closure.

Security: The Hall is permanently manned whilst it is open and an alarm system provides security when the Hall is closed. Fully maintained fire alarms and security systems as well as the appropriate procedures are in place. In addition, the Hall and its artefacts are fully insured. The Beadle and Deputy Beadle are available to respond to security alerts out of hours. Whilst the Hall has been closed to the public significant expenditure has taken place on improving and upgrading the security system.

Maintenance: Essential repairs to the Hall have been carried out as required with priority given to safety issues followed by the maintenance of the integrity of the building and then to renovations and refurbishments. This year, the stairs area and the mosaic floor have been refurbished at a cost of £24,649 (2020 Drawing and reception rooms and other major projects: £49,368). The cost of other renovations and maintenance was £44,975 (2020: £45,687), plus an additional grant was allocated of £12,500 towards the improvements to the security system.

Education: The Company of Cutlers "Better Learners – Better Workers" Programme has continued this year in order to give young people the opportunity to focus their learning to prepare them for life after school and a work environment. The Charity paused its Joint Awards scheme which supports students and apprentices in engineering and design to visit facilities and factories abroad. The programme restarted in October 2021 and these awards are targeted at those who would not otherwise be able to benefit from this experience.

Financial review

The results of the year are set out in the Statement of Financial Activities on page 8. The grant made to The Company of Cutlers in Hallamshire in the County of York to help maintain and develop the Cutlers' Hall under the terms of the objects was £82,124 (2020: £95,055). Of this £24,629 was contributed to the refurbishment of various parts of the Hall (2020: £49,368). Gross income increased by £95,818 to £213,211 (2020: £117,393) and expenditure on charitable activities decreased by £18,165 to £213,401 (2020: £231,566). During 20/21 the Preservation Trust received a Charitable donation of £100,000 from The Company of Cutlers.

Net expenditure before gains on investments was £190 (2020: £114,713). After accounting for gains on investments of £94,252 (2020: losses of £28,389) there was a surplus of £94,062 (2020: deficit of £142,562).

Total funds carried forward at 30 September 2021 amounted to £633,728 (2020: £539,666) of which £493,558 (2020: £399,496) are unrestricted funds and £140,170 (2020: £140,170) are endowment funds.

Public benefit

The public interest of the Charity in the objectives is normally met through tours, school visits and open days. The Hall also regularly hosts visiting dignitaries on behalf of local businesses and the City Council. This policy will be expanded now the Hall has reopened.

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

REPORT OF THE COUNCIL MANAGEMENT (CONTINUED)

Investment policy

The Council of Management's investment powers are set out in the Memorandum and Articles of Association, as supplemented by the Trustees Act 2000. The Council of Management have considered their duties under the Act and have decided that the funds of the Charity should remain invested through Investec Wealth & Investment Limited with the aims being that:

- all Charity's investments are properly diversified;
- the level of risk is no higher than medium; and
- the overall return exceeds specific benchmarks agreed with the Fund Manager.

The Council of Management have instructed the investment manager to manage the portfolio on a fully discretionary basis and have entered into a formal agreement with Investec Wealth & Investment Limited for this purpose. The Council of Management review this strategy annually or as circumstances dictate.

Fundraising policy

The Cutlers' Hall Preservation Trust Limited accept donations but do not routinely engage in fund raising from the public.

Risk management

The Council of Management have examined the major strategic and operational risks to which the Charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the external risks the Charity faces. Internal control risks are minimised by the implementation of various procedures for the authorisation of transactions and the safeguarding of assets. Overall, they are satisfied there are adequate systems to mitigate those risks.

The Charity uses financial instruments, comprising investments, cash and debtors. The main purpose of these financial instruments is to finance the working capital cycle of the Charity and finance longer term capital needs. The Charity reviews risks at least annually and the main risks with mitigating actions are as follows:

Risk	Mitigating Action
Significant investment loss	Discretionary Management of the investment portfolios is vested in Investec under the terms of agreed Investment Management Statements drawn up and issued by the Trustees.
Misappropriation of investments	Investec indemnify the Trustees and Trust in the event of portfolio misappropriation within Investec.
Misappropriation of cash and cheques	Petty cash is kept secure in locked cash boxes in a locked safe. Cash box keys are held separately. Insurance cover is in place for £250 of cash during business hours when not in a safe, for £1,000 overnight when locked in a safe. Cheques can only be signed by the Master, Chairman of the Preservation Trust or the Clerk. Cheques for more than £1,000 must bear 2 signatures.
Loss of credibility	Reports, meetings and audit procedures ensure that the Trustees are able to monitor and maintain the objectives of the charities.
Cyber/Ransomware attack. Computer Failure	Systems are backed up daily and tapes stored in a fire proof safe overnight. Vulnerabilities exist but are mitigated by protective software. A cloud storage facility is being developed
Non Compliance with Data Regulation	Data is protected in line with current regulations. Procedures are adapted to deal with new regulations.

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

REPORT OF THE COUNCIL MANAGEMENT (CONTINUED)

Reserves policy

The Council of Management take a risk based approach to setting the reserves policy. The principal purpose of the Preservation Trust is the care and maintenance of the Hall. Though any major repair may well be the subject of a fundraising campaign, an urgent problem could require funds more quickly than they can be raised. This amount is set at £180,000. In addition, enabling the Trust to operate for 12 months if deprived of all its income would cost around £120,000. Therefore the minimum reserves level for the Trust is set at £300,000. At 30 September 2021, total unrestricted free reserves were £465,841 (2020: £373,511). The Trustees have taken a risk based approach and feel these reserve holdings are appropriate during this period of continuing uncertainty in the economy.

Future plans

Now the Hall is open again, the Charity will continue to encourage a larger number of visitors and greater publicity for the Hall. After the success of linking the Open Day to the National Heritage Day in recent years, it is planned to do the same thing next year and for the foreseeable future. The Charity is continuing works to ensure that the Hall is in the best possible condition for the four hundredth anniversary of the Company in 2024, and it anticipates that further development work will be undertaken in 2021-22 at a cost of approximately £25,000.

It is planned to run an educational award scheme again this year and to continue to support the Company of Cutlers "Better Learners Better Workers" programme. A grant from the Company of Cutlers is anticipated to offset the costs of this.

Statement of the Council of Management responsibilities

The Council of Management (who are Trustees of the charity and also directors of The Cutlers' Hall Preservation Trust Limited for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council of Management to prepare financial statements for each financial year. Under company law the Council of Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Council of Management are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council of Management are aware:

- there is no relevant audit information of which the charitable company auditor is unaware; and
- the Council of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CUTLERS' HALL PRESERVATION TRUST LIMITED

Auditor

The charitable company's articles require annual reappointment of the auditor. BHP LLP has expressed their willingness to continue in office. In accordance with s485(4) of the Companies Act 2006 a resolution to reappoint BHP LLP as auditor will be proposed at the Annual General Meeting.

By order of the Council of Management



C J Jewitt
Chairman of the Council of Management

Date: Mar 13, 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CUTLERS' HALL PRESERVATION TRUST LIMITED

Opinion

We have audited the financial statements of The Cutlers' Hall Preservation Trust Limited (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Report of the Council of Management, other than the financial statements and the Auditor's Report thereon. The Council of Management are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Council of Management (including the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council of Management were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of Council of Management

As explained more fully in the Statement of Council of Management responsibilities, the Council of Management (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council of Management 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 Council of Management are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Management either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

THE CUTLERS' HALL PRESERVATION TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates, and considered the risk of such regulations, including fraud. We designed audit procedures to respond to the risk. We focused on laws and regulations relevant to the charitable company which could give rise to a material misstatement in the financial statements. Our testing included discussions with management, the Council of Management, and those staff with direct responsibility for the compliance of laws and regulations. We also reviewed legal expenses. We addressed the risk of management override of internal controls, including the testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by management or the Council of Management that represented a risk of material misstatement due to fraud.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

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



Jane Marshall (Mar 17, 2022 13:05 GMT)

Jane Marshall (Senior Statutory Auditor)
For and on behalf of

BHP LLP
2 Rutland Park
Sheffield
S10 2PD

Date Mar 17, 2022

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account) FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	As restated Total 2020 £
Income and endowments from:					
Donations		180,360	-	180,360	87,649
Charitable activities – tours and lecture income		88	-	88	655
Investments		12,831	-	12,831	15,382
Other income	4	19,932	-	19,932	13,707
Total income		213,211	-	213,211	117,393
Expenditure on:					
Costs of raising funds					
- Investment manager fees		3,288	-	3,288	3,324
Charitable activities	5	210,113	-	210,113	228,242
Total expenditure		213,401	-	213,401	231,566
Net expenditure before gains/(losses) on investments		(190)	-	(190)	(114,173)
Net gains/(losses) on investments	9	94,252	-	94,252	(28,389)
Net income/(expenditure) and net movement in funds		94,062	-	94,062	(142,562)
Fund balances brought forward at 1 October 2020		399,496	140,170	539,666	682,228
Fund balances carried forward at 30 September 2021	12	493,558	140,170	633,728	539,666

All operations of the charitable company are continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

BALANCE SHEET AS AT 30 SEPTEMBER 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Investments	9	<u>565,322</u>	<u>549,409</u>
Current assets			
Debtors	10	<u>17,782</u>	<u>21,403</u>
Cash at bank and in hand		<u>73,177</u>	<u>57,292</u>
		<u>90,959</u>	<u>78,695</u>
Creditors: amounts falling due within one year	11	<u>(22,553)</u>	<u>(88,438)</u>
Net current assets/(liabilities)		<u>68,406</u>	<u>(9,743)</u>
Net assets		<u>633,728</u>	<u>539,666</u>
Capital funds			
Endowments		<u>140,170</u>	<u>140,170</u>
Income funds			
Unrestricted funds			
- Includes revaluation reserve of £147,492 (2020: £132,808)		<u>493,558</u>	<u>399,496</u>
	12	<u>633,728</u>	<u>539,666</u>

The financial statements were approved and authorised for issue by the Council of Management on Mar 13, 2022 and signed on its behalf by:



C J Jewitt
Chairman of the Council of Management

Company no: 01655467

The notes on pages 12 to 20 form part of these financial statements.

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used by operating activities	14	<u>(75,285)</u>	<u>(75,224)</u>
Cash flows from investing activities			
Investment income		12,831	15,382
Purchases of investments		(106,617)	(53,288)
Proceeds on sale of investments		<u>183,465</u>	<u>96,499</u>
Net cash provided by investing activities		<u>89,679</u>	<u>58,593</u>
Change in cash and cash equivalents in the year		14,394	(16,631)
Cash and cash equivalents brought forward		<u>68,591</u>	<u>85,222</u>
Cash and cash equivalents carried forward		<u>82,985</u>	<u>68,591</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		73,177	57,292
Cash held within investments		<u>9,808</u>	<u>11,299</u>
Total		<u>82,985</u>	<u>68,591</u>

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Charitable Company information

The Cutlers Hall Preservation Trust Limited is a company limited by guarantee (Company number 01655467) and is registered with the Charity Commission (number 513038). The registered address is The Cutlers Hall, 7-15 Church Street, Sheffield, S1 1HG.

2 Basis of preparation and significant accounting policies

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011 and UK Generally Accepted Accounting Practice. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charitable company and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2a. Going concern

The financial statements have been prepared on a going concern basis. The Council of Management has taken note of the guidance issued by the Financial Reporting Council on Going Concern Assessments in determining that this is the appropriate basis of preparation of the financial statements and have considered a number of factors. Income and expenditure forecasts have been prepared covering the period to September 2024. The uncertainty as to the future impact on the Charity of the Covid-19 pandemic has been considered as part of these forecasts. The intentions and commitments of key donors have been considered as part of the forecasts, as have likely levels of expenditure. In reaching the going concern conclusion the Council of Management has considered positive indications of financial stability such as the level of unrestricted cash, available investments and the level of unrestricted reserves. After making enquiries and reviewing the cash flow forecasts to September 2024, the Council of Management has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months following approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

2b. Income

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

Other income

Other income, which mainly relates to management charges and CJRS income is recognised when receivable.

2c. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure, which is charged on an accruals basis, is allocated to expenditure incurred directly to the fulfilment of the Charity's objectives (charitable activities).

All costs are allocated directly to the applicable expenditure heading.

Grants payable

All grants payable are included in the Statement of Financial Activities in the year in which they are paid.

2d. Retirement Benefits

Defined Contribution Pension Scheme

The Charity operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the Charity.

2e. Fixed asset investments

Investments are initially recognised at their transaction cost and subsequently measured at the fair value of balance sheet date. Movements in fair value are recognised in the Statement of Financial Activities.

2f. Debtors

Debtors are measured at their settlement amount.

2g. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to known amounts of cash with insignificant risk of change in value.

2h. Creditors

Short term creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement and the amount can be estimated reliably.

2i. Fund accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Endowment funds represent those funds which must be held permanently in trust by the Charity for the benefit of the Charity.

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

2i. Fund accounting - continued

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Charity.

Designated funds are unrestricted funds which have been designated for a specific purpose by the Council of Management.

2j. Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3 Critical accounting estimates and areas of judgement

There were no significant judgements or estimation uncertainties in the preparation of these financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4 Other income

	Unrestricted funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Job retention scheme grant	6,946	6,946	3,299
Recharge of salaries – The Company of Cutlers in Hallamshire in the County of York	10,467	10,467	8,170
Recharge of salaries – The Combined Cutlers Company Charitable Trust	2,519	2,519	2,238
	19,932	19,932	13,707

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Expenditure

	Unrestricted Funds 2021 £	Total 2021 £	Total 2020 £
Charitable activities in relation to the preservation of the Cutlers' Hall			
Direct costs			
Grant to Company of Cutlers for Hall repairs	82,124	82,124	95,055
Salaries	46,162	46,162	41,520
Employer's NI	-	-	169
Employer's Pension	1,306	1,306	1,219
Management charges – The Company of Cutlers in Hallamshire in the County of York	37,911	37,911	40,529
Sundry expenses	633	633	787
Insurance	28,015	28,015	28,528
Education	8,268	8,268	14,730
Marketing	-	-	705
Governance – Audit fees	5,694	5,694	5,000
Total	210,113	210,113	228,242

6 Auditor's remuneration

	2021 £	2020 £
Audit fees	5,694	5,000

7 Staff costs and trustees' remuneration

A breakdown of staff costs is shown in note 5. No employee has earned £60,000 per annum or more in the current or preceding accounting period.

The average number of employees during the year was 6 (2020: 8).

The key management personnel consist of the Clerk to The Company of Cutlers in Hallamshire in the County of York and the Company Accountant. The Clerk is employed on a joint contract with The Cutlers' Hall Preservation Trust Limited and The Company of Cutlers in Hallamshire in the County of York 35% of his costs being charged to the Preservation Trust. The Cutlers' Hall Preservation Trust is also charged 10% of the Company Accountant's costs. The total cost in 2021 is £31,965. (2020: £35,840). No remuneration has been paid to any member of the Council of Management (2020: £nil) and no (2020: £nil) expenses have been reimbursed for attendance at meetings or in connection with the running of the Charity's affairs.

8 Tangible fixed assets

No value is shown in the balance sheet for land owned by the Charity, as the trustees believe that its market value is negligible. The historical cost of the land is unknown.

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 Fixed asset investments

	Listed Investments 2021 £	Listed Investments 2020 £
Market value		
At 1 October	538,110	609,710
Additions	106,617	53,288
Disposals	(183,463)	(96,499)
Gains/(losses)	94,252	(28,389)
	<u>555,514</u>	<u>538,110</u>
Cash held within the investment portfolio	9,808	11,299
At 30 September	<u>565,322</u>	<u>549,409</u>

	2021 £	2020 £
Investments listed above fall into the following categories:		
UK fixed interest bonds	68,984	36,193
Overseas fixed interest bonds	29,059	27,644
UK equities	127,868	132,490
European equities	39,338	36,012
Northern American equities	89,601	125,705
Japanese equities	18,106	16,253
Far East & Australasian equities	31,633	27,684
International equities	26,899	12,913
Emerging Economies equities	16,529	24,625
UK Property	24,847	25,127
Alternative Assets	82,650	73,464
	<u>555,514</u>	<u>538,110</u>

The valuation is based on mid-market prices from the appropriate Stock Exchange, market makers or from the relevant fund manager. Where the fund managers publish a single price, the valuation has been prepared on the basis of a single published price. The prices of financial instruments subject to low liquidity, due to their special characteristics are evaluated on a best endeavours basis.

	2021 £	2020 £
Historical cost of investments at 30 September	<u>408,022</u>	<u>405,302</u>

The differences between the market value and the historical cost of investments is included in unrestricted funds.

Individual investments which comprise over 5% of the value of the portfolio are:

	% of value of portfolio 2021	2020
Link Fund Sol Miton	-	6.5
Vanguard Funds PLC	5.9	9.1

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

10 Debtors

	2021 £	2020 £
Trade debtors	-	1,950
Other debtors and prepayments	17,782	19,453
	17,782	21,403

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Social security and other taxes	810	693
Trade Creditors	94	813
Accruals	9,894	13,123
Other creditors	277	242
Amount owed to The Company of Cutlers in Hallamshire in the County of York	11,478	73,567
	22,553	88,438

12 Funds

	Endowment funds £	Unrestricted funds £	Designated funds £	Total funds £
Current year				
At 1 October 2020	140,170	373,511	25,985	539,666
Income	-	213,211	-	213,211
Expenditure	-	(205,133)	(8,268)	(213,401)
Realised gains on investments	-	21,163	-	21,163
Unrealised gains on investments	-	73,089	-	73,089
Transfer	-	(10,000)	10,000	-
At 30 September 2021	140,170	465,841	27,717	633,728
Prior year				
At 1 October 2019	140,170	518,343	23,715	682,228
Income	-	117,393	-	117,393
Expenditure	-	(216,836)	(14,730)	(231,566)
Realised losses on investments	-	(7,018)	-	(7,018)
Unrealised losses on investments	-	(21,371)	-	(21,731)
Transfer	-	(17,000)	17,000	-
At 30 September 2020	140,170	373,511	25,985	539,666

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Funds - continued

In the 1960's an endowment fund was established for the future maintenance of the Hall within the Cutlers Company. When the Preservation Trust was established that amount was subscribed by the Company as a permanent endowment at a sum of £140,170. The purpose of this fund remains to support the care and maintenance of the Cutlers Hall.

A designated fund has been established to designate expenditure towards an educational award scheme and to fund the "Better Learners, Better Workers" programme. A transfer is made during the year for the grant received.

13 Analysis of net assets between funds

	Endowment fund £	Unrestricted fund £	Designated fund £	Total funds £
Current year				
Investments	140,170	425,152	-	565,322
Current assets	-	59,742	31,217	90,959
Creditors due within 1 year	-	(19,053)	(3,500)	(22,553)
	<u>140,170</u>	<u>465,841</u>	<u>27,717</u>	<u>633,728</u>
Prior year				
Investments	140,170	409,239	-	549,409
Current assets	-	45,110	33,585	78,695
Creditors due within 1 year	-	(80,838)	(7,600)	(88,438)
	<u>140,170</u>	<u>373,511</u>	<u>25,985</u>	<u>539,666</u>

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

14 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	94,062	(142,562)
Investment income	(12,831)	(15,382)
Increase in debtors	3,621	622
(Decrease)/increase in creditors	(65,885)	53,709
Investment (gains)/losses	(94,252)	28,389
Net cash used by operating activities	<u>(75,285)</u>	<u>(75,224)</u>

15. Analysis of changes in net debt

	1 October 2020 £	Cash flow £	31 September 2021 £
Cash and cash equivalents	68,591	14,394	<u>82,985</u>

16. Members' liability

The liability of members of the Charity is limited. Every member of the Charity undertakes to contribute to the assets of the Charity in the event of the same being wound up under terms specified in the Charity's Memorandum of Association. Such amounts may not exceed £100.

17. Financial assets and liabilities

	2021 £	2020 £
Financial assets carried at amortised cost:		
Trade debtors	-	1,950
Financial assets carried at fair value:		
Investments	<u>565,322</u>	<u>549,409</u>
Financial liabilities carried at amortised cost		
Trade creditors	94	813
Amounts owed to The Company of Cutlers in Hallamshire in the County of York	11,478	73,567
Accruals	9,894	13,123
Other creditors	277	242
	<u>21,743</u>	<u>87,745</u>

THE CUTLERS'S HALL PRESERVATION TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

18. Related parties

The Cutlers Hall Preservation Trust Limited is related to The Company of Cutlers in Hallamshire in the County of York and The Combined Cutlers Company Charitable Trust as a result of having key management personnel in common with these entities.

Included in direct costs is £37,911 (2020: £40,529) recharged from the Company of Cutlers in Hallamshire in the County of York for staff and insurance costs and £2,518 (2020: £2,238) to The Combined Cutlers Company Charitable Trust for staff costs.

The Cutlers Hall Preservation Trust provides an annual grant to the Company of Cutlers in Hallamshire to support the cost of repairs and maintenance to the Cutlers Hall 2021. This totalled £82,124 (2020: £95,055).

During the year The Company of Cutlers in Hallamshire in the County of York made a £10,000 (2020: £10,000) grant to The Cutlers Hall Preservation Trust in respect of its education program and a further £100,000 (2020: £nil) one off charitable donation.

At the year end The Cutlers Hall Preservation Trust Limited owed £11,478 to The Company of Cutlers in Hallamshire in the County of York (2020: £73,567).

During the year The Cutlers Hall Preservation Trust Limited received donations from Freeman of The Company of Cutlers in Hallamshire in the County of York totalling £15,315 (2020: £10,575) and donations from Friends of The Cutlers Hall Preservation Trust Limited totalling £52,650 (2020: £56,000).

19. Comparative SOFA

	Unrestricted funds 2020 £
Income and endowments from:	
Donations	87,649
Charitable activities – tours and lecture income	655
Investments	15,382
Other income	13,707
Total income	<u>117,393</u>
Expenditure on:	
Costs of raising funds – investment manager fees	3,324
Charitable activities	228,242
Total expenditure	<u>231,566</u>
Net expenditure before losses on investments	(114,173)
Net losses on investment assets	<u>(28,389)</u>
Net expenditure and net movement in funds	(142,562)
Fund balances brought forward at 1 October 2019	<u>682,228</u>
Fund balances carried forward at 30 September 2020	<u>539,666</u>