



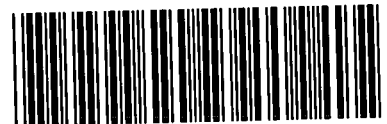
Annual Report and Financial Statements

31 July 2019

Company Limited by Guarantee
Registration Number
02953431 (England and Wales)

Charity Registration Number
1039962

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Contents

Reports

Reference and administrative information	1
Report of the Council	2
Independent auditor's report	11

Financial statements

Statement of financial activities	14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17

Reference and administrative information

Current Members of Council	Dr Loyd Grossman CBE (Chairman) Mr N M Bensted-Smith JP CC Professor G Brock Professor Sir Richard J Evans FBA Mr A E Hodson Professor D H Hodson Deputy Mr T D D Hoffman MBE CC Mr R J Long CB Alderman & Sheriff Professor M R Mainelli Ms D Ounsted CBE The Hon. Timothy Palmer DL Mr J G S Scott JP CC Deputy Dr G R E Shilson CC Professor Martyn Thomas CBE
Provost	Professor Sir Richard J Evans FBA
Company Secretary	Dr M C Loughlin-Chow
Registered office	Barnard's Inn Hall Holborn London EC1N 2HH
Company registration number	02953431 (England and Wales)
Charity registration number	1039962
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Bank of Scotland 33 Broad Street London EC2N 1HZ
Solicitors	Radcliffes LeBrasseur 85 Fleet Street London EC4Y 1AE

Report of the Council 31 July 2019

The Members of the Council, who are the directors of the charitable company, present their annual report and the audited financial statements for the year ended 31 July 2019 are also presented.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 20 of the attached financial statements and comply with the charity's Memorandum and Articles, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

Status

Gresham College was founded in 1597 under the will of Sir Thomas Gresham to provide free public lectures. The College was a registered charity until 28 July 1994, when it was incorporated as a charitable company in England and Wales, governed by a Memorandum and Articles of Association. Grants to meet the College's core costs are awarded by the beneficiaries of Sir Thomas' will (the Mercers' Company and the City of London Corporation – the College's core funders).

Objectives and Activities

The College's principal activity is the provision and administration of its academic programme in a tradition going back more than 400 years. The programme comprises free lectures, panels, and papers, delivered by the Gresham Professors and others selected by them through the Academic Board. These activities foster serious intellectual enquiry and make new learning accessible to all; encourage academic consideration of contemporary issues; and challenge those who live and work in the City of London – and now further afield – to engage in in-depth and considered analysis. The Council's further intention that Gresham College should be a centre of international excellence, is achieved today via live streaming, and dissemination of the academic programme online.

In setting the charitable objectives and planning future activities, the Council Members have considered the Charity Commission's guidance on public benefit.

Achievements and Performance

The 2018/19 academic year was successful and attracted good audiences, as well as considerable media, social media and press interest. The programme ran from 18 September 2018 to 20 June 2019 and featured 130 lectures presented by Gresham and visiting professors, and 40 guest lectures.

Over the course of the year, the College's online audience saw an increase, particularly in the length of viewing time of lectures, which represents a real gain in qualitative engagement of our on-line community. The College's in-person audience decreased slightly, with attendances for 2018/19 at 15,336 (average of 119 per event), which was lower than attendances and averages for 2017/18. Considerably fewer people were turned away from full lecture theatres than in previous years, which may be attributed to scheduling more lectures at the Museum of London.

Report of the Council 31 July 2019

The new process for launch of the 2018/19 programme was a great success, with a focused single launch and increased emphasis on social media resulting in 1,500 requests for programmes during the August launch period. The short promotional film for the programme was extremely well-received, and further short promotional films for selected lectures and series have also proved popular.

The 2018/19 academic year saw the introduction of six new professors and in-person numbers may have been affected by this, as previous analysis has shown that it normally takes some time for new professors to find their audiences. The professors and associated visiting professors have settled in well and are engaging with audiences and with the production team to produce excellent series and proposals for 2019/20. Over the course of 2018/19, College conducted one planned recruitment exercise (for the professorship of astronomy), and two unplanned exercises resulting from the early resignation of two professors (music and rhetoric). Although compressed, full recruitment exercises were engaged for all appointments, and a formalised process for professorial recruitment outside of normal timeframes will be presented to Council by the Nominations Committee in 2019/20.

Over the course of 2018/19, Gresham College celebrated the 500th anniversary of the birth of its founder, Sir Thomas Gresham. A biography of Gresham by Dr John Guy, commissioned by the college, was published to excellent reviews in June 2019. The Tudor Festival of Lectures, conducted across the year, was well attended (average in-person audience of 190, and good online numbers), and culminated in a major event at Guildhall, featuring a lecture by Dr Guy on his biographical research.

Gresham College conducted an in-depth self-assessment exercise over the course of 2018/19, using the expertise of consultants from MB Education to engage in serious analysis of its offer and in strategic planning. A refreshed vision, mission and values have been crafted, and a five-year business plan (2020-2025) containing aims, objectives, and measures will be sent from Council to JGGC in September 2019. The 2019/20 academic year will be a transitional year, while the business plan is finalised.

In the Communications area, live streaming moves from strength to strength, with the new feature of post-live views proving to be very successful (lectures are now posted immediately after the live-stream, rather than after post-production editing – this is possible as a result of increased expertise and training for the production team). It is possible that the ongoing success of our digital product has affected our in-person numbers, and analysis on this will continue in 2019/20. Social media engagement has also expanded, with YouTube subscriptions at just under 100,000 at the end of the 2018/19 academic year. Our outreach to schools has increased over 2018/19, and in particular the school group booking pilot has worked well, with 236 bookings. Increasing interest will be further fostered through the expansion of targeted mailings to schools next year, and a dedicated section on the website. Press coverage also continued to be strong over the course of the year.

Administrative staffing over 2018/19 has been solid and consistent. The new Academic Registrar has settled in well, and a new Administrative and Events Assistant has helped to ease some of the burden of evening lecture coverage. Estates and Facilities have been well-managed, with no major issues to report. Hall lettings have remained at levels consistent with previous years.

Report of the Council 31 July 2019

Planning for the 2019/20 has been consciously dovetailed with the aims and objectives of the 5-year business plan (2020-2025). In many ways 2019/20 will act as a preparatory and transitional year for Gresham's next phase of development.

Fundraising

The College does not actively solicit donations from individuals and is not registered with the Fundraising Regulator and nor does it subscribe to any fundraising codes of practice. When donations from individuals are received, the College aims to protect personal data and never sells data or swaps data with other organisations. During 2018/19, the College received no complaints about its fundraising activities.

Financial Review

The financial results of the College's operations are shown on page 14. The results this year include a combination of restricted and unrestricted income and expenditure. The overall total income was £1,009,738 (2018 - £929,938) against an overall total expenditure of £965,272 (2018 - £1,025,880). The restricted expenditure of £10,000 (2018 - £73,590) was for research expenses in producing the biography of Sir Thomas Gresham. The restricted income was £10,000 (2018 - £73,590).

The total unrestricted expenditure was £955,272 (2018 - £952,290).

The College's core income of £798,568 for 2017/18 was increased in line with 1.6% (RPI). The unrestricted core income this year is £955,319, which was supplemented by donations of £23,382 and income from other trading activities of £20,942. With the total unrestricted income in 2018/19 being £999,738 (2018 - £856,348), the College reported a surplus of income over expenditure of £44,466 (2018 - deficit of £95,942).

Additional Sponsorship: The College has continued to seek sponsorship including sponsorship in kind. During 2018/19 sponsorship for lecture services was received from The Jackson Foundation £11,500 (2018 - £16,300) and from The Worshipful Company of Information Technologists £11,500 (2018 - £16,300). Donations of venues, facilities and other services were also received. These donated facilities have not been shown as income within the financial statements due to the difficulty in quantifying their value accurately, but details of the estimated value of these donations are given in note 4 to the financial statements.

Overall, the College continues to maintain costs broadly within the allocation made in the core funders' Memorandum of Understanding. The College is pleased to report that it has security of tenure for its lecture premises both at Barnard's Inn Hall (10-year lease term remaining) and the Museum of London (rolling agreement).

Report of the Council 31 July 2019

Reserves policy and financial position

Funding arrangements were finalised in 2013/14 through an agreement with the Mercers' Company and the City of London Corporation. The agreement is for five academic years and took effect from 1 August 2014 and continued through to 31 July 2019. The funding for 2019/20 has been confirmed on the same basis and the College is currently negotiating the terms of the agreement for future years. The annual payment for 2014/15 was calculated using the base amount for 2013/14 being £700,920 and multiplied by the lesser of either the Retail Price Index or a fixed 3%, plus a one-off increase payment of £36,400. The total core income calculated for 2014/15 £755,544 was used as the base amount for the following year. Subsequent future years' payments under this agreement have used recalculated base amounts multiplied by the lesser of either the Retail Price Index or 3%.

Council policy is that the College should hold approximately four months' operational and academic support costs as a minimum reserve, and the Memorandum of Understanding endorses this requirement. This minimum is now £274,273 (2018 - £265,210). In addition, at 31 July 2019, the College held additional free reserves of £49,111 (2019 - £13,708) under the general fund. The Members of the Council are satisfied that the level of reserves is deemed adequate but not excessive.

Plans for the future

The programme for 2019/20 is excellent and varied with many exciting lectures already attracting attention.

As well as continuing to appoint Gresham Professors in the Foundation subjects and provide lectures of the highest academic standard (whilst still aimed at public audiences), the vision of Sir Thomas in terms of supporting innovation and new learning (aimed at younger generations who are economically active and productive), should be promoted. New learning in science and the arts (such as advances in technology, robotics, IT, AI, new literature, new music, new art, new scientific discoveries and developments in subjects like mathematics, medicine, commerce and environmental science) should be delivered, at the same time as stimulating ideas and discussion on areas such as human rights and philosophical debate.

The current timing for strategic planning is appropriate in terms of the imminent renewal of the funding arrangements with the Sponsors (City of London Corporation and the Mercers' Company) and because discussion is also taking place about the physical location and premises for the College. Having a base at Barnard's Inn Hall is good for the College's identity but the Hall is being outgrown as a venue for lectures, and is difficult to manage and promote lectures on a site located nearly a mile away at the Museum, where major changes will also soon take place.

Report of the Council 31 July 2019

Risk management

The College has undertaken a study of risks including health and safety, fire, public liability and risk to reputation. Procedures are in place to manage risk.

Members of Council considered staffing, ICT, financial and premises as the principal risks to the College. Staffing is an operational risk, and controls and procedures such as staff development programmes, regular appraisals are all in place to manage this.

It was agreed at the EGM on 19 April 2018, that the term of office of a Member of Council could be extended in exceptional circumstances to ensure continuity.

ICT is also an operational risk with the possibility of inadequate systems in place, expansion outstripping infrastructure, loss and/or corruption of data and loss and/or weakening of online provision. The Communications/IT Advisory Group was set up in January 2015 but is no longer needed. With investment during the year and replacement of video hosting companies and developers, the ICT risk, although still high, is being managed well.

The premises of the College are considered an operational/resources risk by the Members of Council. The continuation of the lease together with an increase in charges (rent, rates, fees), are the main factors but after liaison with the landlords and the renewal of a longer-term lease these have significantly reduced the risk. However, the need for expensive renovations and repairs continues to increase. The College continues to review alternative lecture venues and alternative plans relevant to its growth.

Structure, Governance and Management

Members of the Company

The Charitable Company is a Company limited by guarantee.

Following a special resolution passed on 31 August 2004, the members of the company are the City of London Corporation and the Mercers' Company.

The nominee of the Mercers' Company during this period was Mr Antony Hodson. (December 2018)

Report of the Council 31 July 2019

Members of Council

Members of Council comprise up to four appointees each of the City of London Corporation and the Mercers' Company, together with up to four co-opted members, two Gresham Professors and the Provost.

Members of Council are Directors of the Charitable Company for the purposes of the Companies Act 2006. They are also Trustees of the Charitable Company within the Charities Act 2011. Insurance cover was maintained for Members of Council against liabilities arising from their duties, at a cost of £1,746 (2018 - £1,500) and provides cover of up to a maximum of £1 million (2018 - £1 million).

The Members of Council who served during the financial year 1 August 2018 to 31 July 2019 and up to the date of approval of this report were as follows:

Provost

Professor Sir Richard J Evans FBA	Appointed 1 August 2014
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Appointed by City of London Corporation

Deputy Mr T D D Hoffman MBE CC	Appointed 21 July 2009
Mr J G S Scott CC	Appointed 1 August 2016
Deputy Dr G R E Shilson CC	Appointed 7 March 2014
Mr N M Bensted-Smith JP CC	Appointed 1 September 2017

Appointed by the Mercers' Company

Professor D H Hodson (Vice Chairman)	Appointed 13 March 2009
Mr A E Hodson	Appointed 1 December 2018
The Hon. Timothy Palmer DL	Appointed 1 August 2013
Ms Debby Ounsted CBE (Chair of the Nominations Committee)	Appointed 1 March 2016

Co-opted

Professor George Brock	Appointed 15 March 2012
Dr Loyd Grossman CBE (Chairman of Council)	Appointed 1 August 2019
Mr R J Long CB (Chairman of the Finance and Remuneration Committee)	Appointed 1 August 2018
Mr John C Carrington (Chairman of Council)	Appointed 1 September 2008 Term ended 31 August 2019
Alderman Professor M R Mainelli	Appointed 24 November 2009

Gresham Professors

Professor Carolin Crawford	Appointed 1 August 2014 Term ended 31 July 2019
Professor Martyn Thomas CBE	Appointed 1 March 2017

Report of the Council 31 July 2019

Procedures adopted for the induction and training of Members of Council

Upon appointment, Members of Council are provided with an information pack which includes the following documents:

1. Charity Commission: *The Essential Trustee: What you need to know* (updated May 2018)
2. Gresham College Handbook (now in 8th edition, 2019), incorporating:
 - a. The Articles of Association of Gresham College
 - b. Historical Background (including the Will of Sir Thomas Gresham)
 - c. Governance arrangements
 - d. Committee structure and Terms of Reference for all Committees
 - e. Definition of roles and appointments
 - f. Information on the Academic Programme
 - g. Quality Assurance and Monitoring arrangements
 - h. Collaborative activities
 - i. Fees and Honoraria
3. Minutes and papers of at least the two previous meetings

Decision making

The Charitable Company has two voting Members: the Mercers' Company and the Corporation of the City of London. The Members of Council are charity trustees and directors under the Companies Act.

The Council has two Committees: a Finance and Remuneration Committee and a Nominations Committee, which make recommendations to Council on an advisory basis. The Finance and Remuneration Committee reviews the financial statements and proposed budget and recommends the policy for the remuneration of staff. The Nominations Committee determines and agrees with the Council the framework and nominations relating to the appointment of new Members of Council (other than those nominated by the core funders). It also determines the appointments process for new Professorial appointments. Proposals regarding the academic programme, including costs, are first discussed by the Academic Board, and then recommended to the Council for approval.

Key management personnel

The Members of Council, including the Provost, consider that they together with the Academic Registrar (Dr M C Loughlin-Chow) comprise the key management of the College in charge of directing and controlling, running and operating the College on a day to day basis.

Arrangements for setting the pay and remuneration of Gresham College's key management personnel are determined by linking them to the University of Cambridge pay spines or equivalent positions. (<http://www.hr.admin.cam.ac.uk/Salaries/242>). This provides a most appropriate benchmark.

Report of the Council 31 July 2019

Members of Council are not remunerated for their services to the College as trustees. The Provost is remunerated for his services as the College's Provost. One member (one of the representatives of Academic Board) also received a professorial stipend in their capacity as a Gresham College Professor at the agreed rate.

Statement of Members of Council's responsibilities

The Members of Council (who are the directors of Gresham College for the purposes of company law and trustees for the purposes of charity law) are responsible for preparing the report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the income and expenditure of the College for that period.

In preparing these financial statements, the Members of Council 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 financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Members of Council are 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 Companies Act 2006. 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.

Each of the Members of Council confirms that:

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

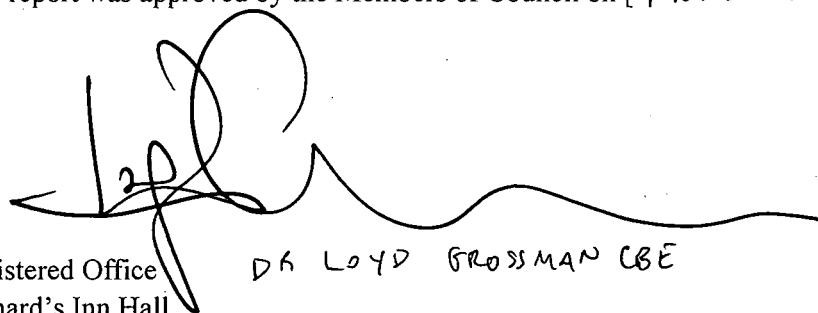
This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Report of the Council 31 July 2019

Statement of Members of Council's responsibilities (*continued*)

The Members of Council are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Members of Council on [7 NOVEMBER '19]

A large, stylized handwritten signature in black ink, appearing to read 'DA Lloyd Grossman CBE', written over the printed name.

Registered Office
Barnard's Inn Hall
Holborn
London
EC1N 2HH

DA LLOYD GROSSMAN CBE

Independent auditor's report 31 July 2019

Independent auditor's report to the members of Gresham College

Opinion

We have audited the financial statements of Gresham College (the College) for the year ended 31 July 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 College's affairs as at 31 July 2019 and of 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 College 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the Members of Councils' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the Members of Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the College's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report 31 July 2019

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the report of the council, which constitutes the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the report of the council, which constitutes the directors' report for the purposes of company law, 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 College and its environment obtained in the course of the audit, we have not identified material misstatements in the report of the council.

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:

- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Members of Councils' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Members of Council were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the report of the council and from the requirement to prepare a strategic report.

Independent auditor's report 31 July 2019

Responsibilities of Members of Council

As explained more fully in the statement of Members of Council's responsibilities, the Members of Council, who are the directors 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 Members of Council 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 Members of Council are responsible for assessing the College'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 Members of Council either intend to liquidate the College 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.

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

Use of our report

This report is made solely to the College'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 College'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 College and the College's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

25 November 2019

Statement of financial activities Year to 31 July 2019
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2019 £	Unrestricted funds £	Restricted funds £	Total funds 2018 £
Income and expenditure							
Income from:							
Donations	3	23,382	—	23,382	33,327	—	33,327
Other trading activities	4	20,942	10,000	30,942	24,169	5,190	29,359
Interest receivable		95	—	95	284	—	284
Charitable activities							
· Provision of lectures, seminars and conferences	5	955,319	—	955,319	798,568	—	798,568
· Production of Biography	6	—	—	—	—	68,400	68,400
Total income		999,738	10,000	1,009,738	856,348	73,590	929,938
Expenditure							
Charitable activities							
· Provision of lectures, seminars and conferences	7	955,272	—	955,272	949,790	—	949,790
· Production of Biography	8	—	10,000	10,000	—	73,590	73,590
· Research grants payable		—	—	—	2,500	—	2,500
Total expenditure		955,272	10,000	965,272	952,290	73,590	1,025,880
Net income / (expenditure) and net movement in funds	11	44,466	—	44,466	(95,942)	—	(95,942)
Reconciliation of funds							
Balance brought forward at 1 August		278,918	—	278,918	374,860	—	374,860
Balance carried forward at 31 July		323,384	—	323,384	278,918	—	278,918

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

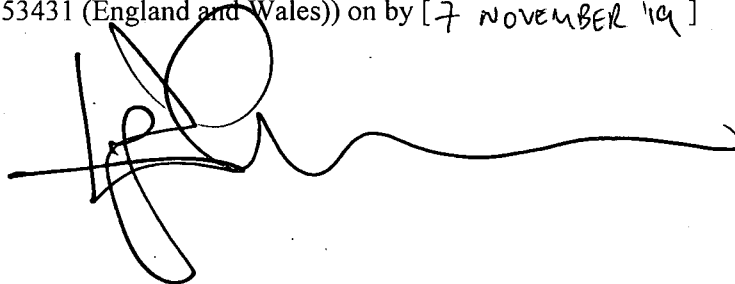
All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 July 2019

	Notes	2019 £	2018 £
Fixed assets			
Tangible fixed assets	13	8,861	17,721
Current assets			
Debtors	14	87,021	85,880
Cash at bank and in hand		315,123	371,015
		402,144	456,895
Creditors: amounts falling due within one year	15	(87,621)	(195,698)
Net current assets		314,523	261,197
Total net assets		323,384	278,918
The funds of the charity:			
Unrestricted funds			
Designated funds		274,273	265,210
General fund		49,111	13,708
	16	323,384	278,918

The notes on pages 17 to 29 form an integral part of these financial statements.

Signed on behalf of the Council of Gresham College (Company registration number 02953431 (England and Wales)) on by [7 NOVEMBER 19]



DR LOYD GROSSMAN CBE
Chairman of Gresham College Council



PROFESSOR D H HODSON
Vice-Chairman of Council

Statement of cash flows Year to 31 July 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(55,987)	(35,383)
Cash flows from investing activities:			
Interest received		95	284
Purchase of tangible fixed assets		-	(26,582)
Net cash provided by (used in) investing activities		95	(26,298)
Change in cash and cash equivalents in the year		(55,892)	(61,681)
Cash and cash equivalents at 1 August	B	371,015	432,696
Cash and cash equivalents at 31 July	B	315,123	371,015

Notes to the statement of cash flows for the year to 31 July:

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

	2019 £	2018 £
Net income (as per the statement of financial activities)	44,466	(95,942)
Adjustments for:		
Depreciation charge	8,860	8,861
Interest receivable	(95)	(284)
Increase in debtors	(1,141)	(61,159)
(Decrease) increase in creditors	(108,077)	113,141
Net cash used in operating activities	(55,987)	(35,383)

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	315,123	371,015
Total cash and cash equivalents	315,123	371,015

Notes to the financial statements 31 July 2019

1 Accounting policies

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

Basis of preparation:

These financial statements have been prepared for the year to 31 July 2019.

The financial statements 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 remaining notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, 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 financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement:

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

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

- ◆ the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge; and
- ◆ the assumptions adopted by the Members of Council and management in determining the value of any designations required from the charity's general unrestricted funds.

Assessment of going concern

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

The Members of Council have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the College to continue as a going concern. They are of the opinion that the College will have sufficient resources to meet its liabilities as they fall due.

Notes to the financial statements 31 July 2019

1 Accounting policies (continued)

Income

Income is recognised in the period in which the College is entitled to receipt and the amount can be measured with reasonable certainty and it is probable that the income will be received. Income is deferred only when the College has to fulfil certain conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Income comprises donations receivable, bank interest and income from charitable activities, principally the grants receivable from The City of London Corporation and The Mercers Company Charitable Foundation, and other charitable grants.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the College 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 stated inclusive of irrecoverable VAT.

All expenses are allocated to the applicable expenditure headings. The majority of expenditure is directly attributable and any apportionment between headings is negligible. Expenditure on charitable activities comprises expenditure on the charity's primary charitable purposes as described in the Report of the Council. Such costs include, academic expenses, professors' stipends and technology costs associated with the delivery of the College lectures, grants payable towards research and other support costs associated with the furtherance of the College's objectives.

Governance costs, which comprise the costs involving the public accountability of the College (including audit costs) and costs in respect to its compliance with regulation and good practice, are allocated in full to the cost of the College's principal charitable activity.

Tangible fixed assets:

All assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated future lives:

- Furniture and general office equipment 33 $\frac{1}{3}$ % per annum based on cost
- Computer and similar equipment 33 $\frac{1}{3}$ % per annum based on cost

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.

Notes to the financial statements 31 July 2019

1 Accounting policies (continued)

Cash at bank and in hand:

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

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 College anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Financial instruments

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

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

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

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Fund accounting:

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

General funds represent those monies that are freely available for application towards achieving any charitable purpose that falls within the College's charitable objects.

Leased assets:

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain within the lessor, are charged to the statement of financial activities in equal amounts over the lease terms.

Notes to the financial statements 31 July 2019

Pension costs:

Gresham College participates in Superannuation Arrangements of the University of London ("SAUL") which is a centralised defined benefit scheme and is contracted-out of the Second State Pension. SAUL is a "last man standing" scheme so that in the event of the insolvency of any participating employers in SAUL, the amount of pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation. A formal valuation of SAUL is carried out every three years by professionally qualified and independent actuaries using Projected Unit method. Informal reviews of SAUL's position are carried out between formal valuations.

It is not possible to identify the College's share of the underlying assets and liabilities of the scheme. Therefore contributions are accounted for as if the scheme were a defined contribution scheme and pension costs are based on the amounts actually paid. Further details on the scheme are given in note 18.

The College continues to be fully compliant with the Government's auto-enrolment scheme for pensions (for which the staging date was 1 February 2016).

2 Administration

The Charitable Company is governed by its Memorandum and Articles of Association dated 28 July 1994, which were subsequently amended on 31 August 2004, and again in November 2007 (with a minor amendment to Article 23 in 2013). On 1 January 1995 it took over the assets, liabilities and undertakings of Gresham College Trust, a registered charity number 283467. On behalf of the Mercers' Company, the City of London Corporation and the Mercers' School Memorial Trust the College discharges their liability for the payment of stipends to the eight Gresham Professors. Under these arrangements, the financial statements of the Charitable Company reflect in all respects a continuation of the activities of the predecessor body.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Donations	23,382	—	23,382	33,327
Total funds	23,382	—	23,382	33,327

During the year the College received donations from the Jackson Foundation of £11,500 (2018 – £16,300). The College also received donations from The Worshipful Company of Information Technologists of £11,500 (2018 – £16,300).

	Unrestricted funds £	Restricted funds £	Total 2018 £
Donations	33,327	—	33,327
Total funds	33,327	—	33,327

Notes to the financial statements 31 July 2019

4 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income from lettings	17,915	—	17,915	17,523
Publication sales and royalties	1,513	10,000	11,513	11,836
Marketing income	1,514	—	1,514	—
Total funds	20,942	10,000	30,942	29,359

	Unrestricted funds £	Restricted funds £	Total 2018 £
<i>Income from lettings</i>	<i>17,523</i>	<i>—</i>	<i>17,523</i>
<i>Publication sales and royalties</i>	<i>6,646</i>	<i>5,190</i>	<i>11,836</i>
<i>Total funds</i>	<i>24,169</i>	<i>5,190</i>	<i>29,359</i>

Donated facilities, venues and other services:

During the year the College received sponsorship in kind in the form of donations of venues, facilities and other services. The value of these donations of venues, facilities and other services is not of sufficient reliability to be included in the statutory financial statements, but an approximation is as below:

	2019 £
Sponsored Events and donation of speaker fees:	
The Peter Nailor Defence Lecture (Mercers' Hall) -- donation of venue hire and reception costs	8,681
The Unacclaimed Accompanist (Mercers' Hall) -- donation of venue hire and reception costs	10,781
The Lord Mayor's Lecture (Guildhall) -- donation of venue hire	7,800
The 500th Anniversary Sir Thomas Gresham Event (Guildhall) -- donation of venue hire, reception, and dinner for 53 people	16,000
Donation of Speaker fee - Rylie and Lord Harries	1,000
Total donated facilities, venues and other services for the year	44,262

Notes to the financial statements 31 July 2019

5 Income from charitable activities:

Provision of lectures, seminars and conferences

	Unrestricted funds					
	Professors' stipends £	General grant £	Total 2019 £	Professors' stipends £	General grant £	Total 2018 £
Core funding						
The Mercers' Company Charitable Foundation	28,000	425,763	453,763	28,000	364,284	392,284
The City of London Corporation	35,000	425,763	460,763	35,000	364,284	399,284
Mercers' School Memorial Trust	7,000	—	7,000	7,000	—	7,000
Additional funding						
The Mercers' Company Charitable Foundation	—	33,793	33,793	—	—	—
	70,000	885,319	955,319	70,000	728,568	798,568

6 Income from charitable activities:

Production of Biography

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
The Mercers' Company Charitable Foundation	—	—	—	34,200
The City of London Corporation	—	—	—	34,200
Total funds	—	—	—	68,400

	Unrestricted funds £	Restricted funds £	Total 2018 £
<i>The Mercers' Company Charitable Foundation</i>	—	34,200	34,200
<i>The City of London Corporation</i>	—	34,200	34,200
Total funds	—	68,400	68,400

Notes to the financial statements 31 July 2019

7 Expenditure on charitable activities:

Provision of lectures, seminars and conferences

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Staff costs (note 10)	434,483	—	434,483	433,924
Operating costs	344,346	—	344,346	300,229
Sundry Fees and lecture expenses	4,189	—	4,189	249
Academic expenses	58,264	—	58,264	83,910
Professors' stipends	70,000	—	70,000	70,000
Governance costs (note 9)	43,990	—	43,990	61,478
Total funds	955,272	—	955,272	949,790

	Unrestricted funds £	Restricted funds £	Total 2018 £
Staff costs (note 10)	433,924	—	433,924
Operating costs	300,229	—	300,229
Sundry Fees and lecture expenses	249	—	249
Academic expenses	83,910	—	83,910
Professors' stipends	70,000	—	70,000
Governance costs (note 9)	61,478	—	61,478
Total funds	949,790	—	949,790

8 Expenditure on charitable activities:

Production of Biography

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Development costs	—	10,000	10,000	73,590
Total funds	—	10,000	10,000	73,590

	Unrestricted funds £	Restricted funds £	Total 2018 £
Development costs	—	73,590	73,590
Total funds	—	73,590	73,590

Notes to the financial statements 31 July 2019

9 Governance costs

	2019 £	2018 £
Legal and professional	5,005	3,411
Auditor's remuneration	7,686	7,350
Council Secretarial Services	104	—
Council and Academic Board	8,656	8,248
Professional indemnity insurance	1,746	1,500
Appointment of professors	20,793	40,969
	43,990	61,478

10 Staff costs and remuneration of key management personnel

The average number of persons employed during the year was 8 (2018 -8).

	2019 £	2018 £
The total remuneration was as follows:		
Gross salaries	343,503	346,198
Social security costs	33,169	34,729
Pension contributions	51,164	43,407
	427,836	424,334
Temporary staff	600	—
Other costs	6,047	9,590
	434,483	433,924

One employee earned between £70,000 and £80,000 in 2018/19 (2017/18 – one). Employer pension contributions totalling £10,888 (2017/18 - £12,254) were payable for the year in respect of this employee.

The Members of Council, including the Provost, consider that they together with the Provost and the Academic Registrar comprise the key management of the College in charge of directing and controlling, running and operating the College on a day to day basis.

The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £152,387 (2017/18 - £136,391).

None of the Members of Council are remunerated for their services as trustees of the College. The Provost is remunerated for his services as the College's Provost. His remuneration for 2018/19 was £36,951 (2017/18 - £36,226).

Notes to the financial statements 31 July 2019

11 Net income (expenditure) and net movement in funds

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	8,860	8,861
Operating lease charges		
· Land and buildings	39,420	39,420
· Plant and machinery	2,688	11,649
Auditors' remuneration		
· Current year audit fee	7,620	7,416
· Non-audit services	2,912	2,628

12 Taxation

As a registered charity, Gresham College is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

13 Tangible fixed assets

	IT Equipment £	Total £
Cost at 1 August 2018	26,582	26,582
Additions	—	—
At 31 July 2019	26,582	26,582
Depreciation at 1 August 2018	8,861	8,861
Charge for the year	8,860	8,860
At 31 July 2019	17,721	17,721
At 31 July 2019	8,861	8,861
At 31 July 2018	17,721	17,721

14 Debtors

	2019 £	2018 £
Trade debtors	—	700
Other debtors	2,823	68,400
Prepayments	84,198	16,780
	87,021	85,880

Notes to the financial statements 31 July 2019

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	62,337	108,075
Taxation and social security	10,321	9,212
Other creditors	14,963	78,411
	87,621	195,698
Movements on deferred income (included above)		
Balance brought forward at 1 August	83,293	27,978
Income deferred in current reporting period	34,658	83,293
Amounts released to income from prior reporting period	(82,293)	(27,978)
Balance carried forward at 31 July	34,658	83,293

Deferred income relates to part grant payment made by The Mercers' Company in advance for the academic year 2019/120.

Notes to the financial statements 31 July 2019

16 Total Funds

	At 1 August 2018 £	Incoming resources £	Resources expended £	New designations/ released £	At 31 July 2019 £
General fund	13,708	999,738	(955,272)	(9,063)	49,111
Designated funds:					
Minimum reserves	265,210	—	—	9,063	274,273
Total designated funds	265,210	—	—	9,063	274,273
Restricted funds:					
Biography Fund	—	10,000	(10,000)	—	—
Total restricted funds	—	10,000	(10,000)	—	—
Total funds	278,918	1,009,738	(965,272)	—	323,384

	At 1 August 2017 £	Incoming resources £	Resources expended £	New designations/ released £	At 31 July 2018 £
General fund	127,739	856,348	(914,577)	(55,802)	13,708
Designated funds:					
Minimum reserves	208,500	—	—	56,710	265,210
Future website/IT upgrade	37,681	—	(37,681)	—	—
Sir Thomas Gresham Booklet	940	—	(32)	(908)	—
Total designated funds	247,121	—	(37,713)	55,802	265,210
Restricted funds:					
Biography Fund	—	73,590	(73,590)	—	—
Total restricted funds	—	73,590	(73,590)	—	—
Total funds	374,860	929,938	(1,025,880)	—	278,918

Designated funds include the minimum reserves required by Council equating to 4 months operational and academic support costs –as per the reserves policy noted in the Report of the Council.

Restricted funds include the biography fund. This relates to funding received from The City of London Corporation and The Mercers' Company Charitable Foundation to be applied towards the production of a biography of Sir Thomas Gresham.

Notes to the financial statements 31 July 2019

17 Operating lease commitments

At 31 July the College had total future commitments under non-cancellable operating leases as follows:

	Land and buildings		Plant and machinery	
	2019	2018	2019	2018
	£	£	£	£
Within one year	39,420	39,420	3,608	2,688
Between one and five years	118,260	157,680	5,215	2,688
	157,680	197,100	8,823	5,376

18 Pension commitments

Gresham College participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

Gresham College is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

SAUL is subject to triennial valuations by professionally qualified and independent actuaries. The last available valuation was carried out as at 31 March 2017 using the projected unit credit method in which the actuarial liability makes allowance for projected earnings. The main assumptions used to assess the technical provisions were:

	31 March 2017
Discount rate	
– pre-retirement	4.06%
– post-retirement	1.96%
General Salary Increases	3.49%
Retail Prices Index inflation ("RPI")	3.39%
Consumer Price Index Inflation ("CPI")	2.49%
Pension Increases in payment (excess over GMP)	2.49%
Mortality – base table	S2PA year of birth tables weighted 100% for males and 94% females
Mortality – future improvements	CMI 2016 projections with a long-term Improvement rate of 1.75 p.a.

Notes to the financial statements 31 July 2019

18 Pension commitments (continued)

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required. The Trustee and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE Salaries.

Pension contributions charged to the statement of financial activities during the year amounted to £52,528 (2018 - £43,407).

19 Related party transactions

City of London Corporation and The Mercers' Company Charitable Foundation are the College's principal funders. Both parties are able to appoint up to four Members of Council each and together up to four co-opted members, two Gresham Professors and the Provost. Details of the funding received from the City of London Corporation and The Mercers' Company Charitable Foundation are provided in notes 5 and 6 to the financial statements.

Professor Sir Richard Evans is a Member of Council and received remuneration totalling £36,951 (2018 - £36,227) for his services as Provost.

None of the remaining Members of Council received remuneration in respect of their services as members of the Council during the year.

Two members of the Council (2018 - three) were reimbursed expenses of £189 (2018 - £295) for travel to lectures, accommodation and sundry expenses, and attendance at Council, Academic Board meeting and interviews for new Professor appointments during the year.

The registered office of Gresham College: Barnard's Inn Hall, EC1N 2HH is owned by The Mercers' Company Charitable Foundation. The office is occupied under an operating lease, during the year rental payments totalling £39,420 (2018 - £39,420) were made under the terms of the lease.