

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

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THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Richard Ducker GIA, GG (appointed 26 October 2022) Katie Flitcroft (appointed 26 October 2022) Marguerite Campbell Pedersen (appointed 26 October 2022) Pia Pompea Tonna (appointed 26 October 2022) Justine Carmody FGA, Chair Christopher Smith FGA Nevin Bayoumi-Stefanovic FGA Philip Sadler FCCA, FGA, DGA Joanna Hardy FGA
Company registered number	01945780
Charity registered number	1109555
Registered office	16 Great Queen Street Covent Garden London WC2B 5AH
Company secretary	Alan Hart FGA, DGA
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH
Chief Executive Officer	Alan Hart FGA

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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CHAIR'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The chair presents her statement for the year.

The uncertainties we faced during the COVID pandemic are unforgettable and in 2022 while much of the world was recovering from the impact of the pandemic, the Association still felt its effects as China continued to experience multiple lockdowns throughout the year. As the world started to adjust and establish new ways of working, we were all impacted by the war in Ukraine, which brought into focus new issues such as inflation, rising interest rates, etc. However, the Association saw a marginal increase in revenue of 6.5% between FY21 and FY22.

Like many professional bodies, we have learnt a great deal during these extraordinary times by listening to and consulting with our students, Members, partners, industry, and other experts, as we continued to grow and reinforce our work, in line with our charitable purpose and strategic objectives.

The Association continued to build and make significant progress in establishing better internal processes and completed the full upgrade of our internal IT and infrastructure systems. The upgrade of our IT systems was a critical component of our digital first approach, following on from the pandemic.

The Association adopted a hybrid working model, consistent with the need to deliver services to our students and Members and maintaining the important work of the Association. As part of the new normal, the Association has fully embraced education technology and has made provisions for our global teaching centres to continue delivering theoretical aspects of the course using hybrid teaching methods. I am grateful for the ongoing resilience of Gem-A staff through these internal changes.

In addition to the delivery of our flagship gemmology courses and in responding to the rapid demand for online education in 2022, we successfully launched GemINTRO, which is the Association's first fully accredited Ofqual level 2 online qualification. This qualification is targeted towards those individuals that are new or beginning their career in our industry and would like a wholesome and comprehensive introduction to the world of gemstones. The Members of the Council and Trustees have been very pleased with the feedback received on this course and its initial response. We successfully entered multiple reseller agreements to launch GemINTRO in North America, India, and the Middle East. In 2022, we also began the translation of GemINTRO in Chinese Traditional to launch the course in Greater China.

In 2022 we made further progress in formalising the establishment of the Gem-A USA entity, and we are excited about the progress that has been made and we are strategically reviewing opportunities to establish new ATCs and training partners to grow our education provision in this region.

The Association attended the Tucson show for the first time since 2020 and we were delighted to welcome our members, partners, and friends to the annual Gem-A Bash, which took place in collaboration with the Accredited Gemmologists Association and the Canadian Gemmological Association. The annual bash was supported and sponsored by 100% Natural Ltd. This year we also attended the HardRock Summit (The Denver Gem and Mineral show) in September 2022, which was attended by many of our partners and members and provided an opportunity for us to interact with the industry and promote our education and membership services in USA.

Looking to the future, the Association continues to identify new regions to grow and advance its education and membership offering, while continuing to support and further develop its presence in existing regions globally.

The Association's flagship publication, The Journal of Gemmology, under the editorship of Brendan Laurs continues to flourish and is highly regarded internationally, with a print run of over 2,500 per quarter with all back issues being available online. We continued publishing Gems & Jewellery magazine online and this publication continues to be popular with wider ranging articles from a growing number of specialists across the gemmological fields, under the editorship of Jennifer Lynn Archuletta. The Members of the Council and Trustees have made the decision to continue publication of Gems & Jewellery online for the foreseeable future.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

During 2022, the Members of the Council and Board of Trustees have continued to support the Association in providing strategic oversight for Gem A and are pleased to report that we have successfully managed the impact of the pandemic and current global uncertainties on our financial performance for the year. In 2022 we commenced work on reviewing and updating the Association's strategy, which was last reviewed in 2020 during the peak of the pandemic. As part of this review the Members of the Council and the Board of Trustees worked with senior management in reviewing and updating the Association's strategic objectives and priorities. Our priorities contain some exciting new developments including a brand-new website, a portal for our members, and completing the update of our gemmology and diamond courses.

The Members of the Council and Trustees can report that the Association has had a worthy financial performance considering global events and is now well positioned to develop itself in established regions and explore new ventures. While there are many challenges still facing the Association, largely due to current political and economic landscape, especially in key regions where the Association is very active, we are confident in our ability to withstand these issues as we continue to provide world-class education and membership services globally.

I give credit to both our CEO and the continued efforts and professionalism of Gem-A staff who I would like to thank for not only their hard work, but also their passion, resilience, and commitment to the Association. The Board would also like to recognise the global ATC's, tutors and our examiners who have once again shown their outstanding commitment in maintaining our unparalleled high standards and course offerings that define us. I would like to thank members of the Board who generously give their time and advice freely and perform an essential role in overseeing Gem-A on behalf of all its stakeholders. For my own part, it has been a privilege to play a direct and active role in continuing to support the Association through a very challenging period and I am pleased to say that Gem-A remains a going concern. Looking forward, 2023 and 2024 will continue to be challenging, however, through actions taken, and our strategic priorities, the Association will continue to remain adaptable, identifying new opportunities and pursuing growth in new areas. Fundamentally while we may need to continue to pivot in the short term overseen by the Board and under the leadership of our CEO Alan Hart, we remain confident in the Association's ability to continue to flourish and grow. Members are at the heart of the Association. We exist to support our members through the different stages of their professional careers, from gemmology students through to experts and leaders within the industry. The support of our community, i.e., our members, students, and strategic partners, has been invaluable and I would like to offer my deepest gratitude to everyone who has been involved with the Association over our long history and I look forward to your continuing support and partnership in the times ahead.

DocuSigned by:



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Justine Carmody FGA (Chair)

Date: 29-Aug-23 | 17:39 BST

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 January 2022 to 31 December 2022.

The annual 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) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Association's mission is 'to advance gemmology by education and the encouragement of best practices'. 'Gemmology' includes matters concerned with precious gem materials and the decorative and industrial arts which employ them, thus providing a wide remit within which the Association can develop its services.

The focus of the Association is to provide gemmological qualifications of the highest international reputation, namely the Gemmology Diploma and the Diamond Diploma, with graduation providing eligibility for election as a Fellow of the Gemmological Association (FGA) or as a Diamond Member of the Gemmological Association (DGA). These are, of course, dependent on the syllabi defined by the needs of the industry and our graduates, a robust examination and assessment system commensurate with the status and reputation of these qualifications, and the support to encourage our Members and Graduates to continue to maintain and develop their theoretical and practical expertise.

During the year we enrolled 1,053 (2021: 1,154) students on our Higher Education courses that lead the successful students being able to apply to be Fellows of the Association. The decline in student numbers was largely due to the strong impact of covid in China throughout 2022 and this decline was mitigated by stronger student numbers in the rest of the world, including Gem-A London ATC. During the year we had 1,654 active, members (2021: 1,842) including Fellow of the Gemmological Association (FGA), Diamond Member of the Gemmological Association (DGA), Associate Members, Corporate Members and Direct Subscribers.

b. Employment policy

The Association's policy is to consult and discuss with employees at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information emails and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance. The Association gives firm emphasis on increasing equality, diversity and inclusion within the profession and the Association itself and is committed to provide an equal, diverse, and inclusive environment for staff and to work with our members and the industry to achieve this.

Applications for employment by disabled persons and special needs are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Association continues and that the appropriate training and reasonable adjustments to the workplace is arranged. It is the policy of the Association that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

a. Public benefit

During the year the Trustees had due regard to Gem A's public benefit requirements as a Charity. The financial priority for the year was to continue improving the financial results to allow the Association to best promote its aims. Gem A continues to expand its education around the world both in areas with a large potential market for our education, including the United States of America, Middle East, India, China, and in developing countries which need relevant gem education to help establish and grow their gem markets and benefit the local economies and peoples.

The Association delivered a series of workshops throughout 2022 including the introductory gemmology workshops at our London Head Office. We also delivered Gem Central for our Members, students and individuals interested in gems and jewellery subjects. In the UK outside of London, regional volunteer branches provided various educational events open to the public and continue to do so. The Association, where possible has actively promoted these events. Gem A staff also continue to contribute to articles and information to Gem Hub and other magazines dealing with ethical and gem education issues and served on various gem related advisory bodies and committees. Gem A tutors also gave talks at many trade related events throughout 2022. Gem Hub, on the Gem A website, is an educational resource for aspiring and professional gemmologists across a range of disciplines which includes a variety of articles dedicated to enhancing gemmological knowledge as well as informative features that delve deeper into specific topics. In 2022, Gem-A successfully delivered its first in-person Conference, post the pandemic, albeit over one day at etc. Venue County Hall, which saw over 200 guests engage with 8 international speakers throughout the day. The conference was followed by day of tours and workshops culminating in the annual Graduation and Presentation of Awards ceremony at the historic Church House. The Association was delighted with the overwhelmingly positive feedback received on the scheduled sessions and speaker quality.

In 2022 Gem A continued to play an active part in CIBJO, The World Jewellery Confederation, with Gem A CEO, Alan Hart, on the CIBJO Board, as well as industry bodies and European Standards meetings relating to developing guidelines and terminologies to benefit consumer confidence and to reduce the opportunities for fraud.

Financial review

a. Financial review

The consolidated statement of financial activities set out on page 15 of the financial statements shows how the group's incoming resources have been expended in the year ended 31 December 2022.

The year continued to present challenges as the Association slowly recovered from the impact of covid to face new challenges largely due to geo-political and economic instability, as we continued to manage the impact of the pandemic on our operations and financial performance. Despite these challenges, the group's incoming resources rose from £2,806,596 to £2,987,749.

Total expenditure increased from £2,526,526 to £2,735,737, due to a return to the delivery of in-person events and presence at tradeshow in the second half of the year. This resulted in a net income before taxation of £252,012 in 2022 compared to a surplus of £280,070 in 2021.

The Association's wholly owned trading subsidiary, Gemmological Instruments Limited, made a profit of £430,105 (2021: £504,627) before covenanted £140,724 (2021: £156,063) to the Association.

The Gemmological Instruments' Limited subsidiary, Gemmological Consulting Beijing, had a deficit of £150,024 (2021: £217,619) after paying £375,950 (2021: £547,465) in royalties and licence fees to Gemmological Instruments Limited.

The consolidated statement of financial position set out on page 16 of the financial statements shows the financial position of the group at 31 December 2022.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

a. Financial review (continued)

The group reports net assets of £2,688,587 (2021: £2,470,991) which comprise entirely of unrestricted funds.

b. Going concern

The Trustees note that student numbers have continued to rise in the year following the effects of the COVID-19 pandemic and that costs savings implemented over the last two years have ensured the group is now in a sound financial position. They, therefore, have a reasonable expectation that the Association has adequate resources to continue in operational existence and will continue to meet its liabilities for the foreseeable future, being a period of at least twelve months from the date these financial statements are approved. The Members of the Council and Trustees continue to adopt the going concern basis in preparing the financial statements.

c. Reserves policy

It is the policy of the Association that unrestricted funds which have not been designated for a specific use should be maintained at a sufficient level to continue operations for at least six months. The Members of Council and Trustees consider that reserves at this level will ensure that, in the event of a significant drop in income, they will be able to continue the Association's current activities (including the provision of education and assessment to our students and invest the necessary resource to underpin our education and assessment function), cover any shortfall between income and expenditure, and cover maintenance and repairs to its premises. As at 31 December 2022, the Association has sufficient reserves to meet the policy.

d. Principal funding sources

The principal funding sources for the charity are education and membership income.

e. Risk management

The Members of Council and Trustees have assessed the major risks to which the Association is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. This covers financial, governance, operational and reputational risks. During the year the Members of Council and Trustees continued to work with the staff of the Association to put in place management and operational procedures to mitigate these risks.

The Trustees are continuing the policy of expanding the Association's operations overseas, particularly in North America, Middle East and Asia, to improve the quality of education in countries where Gemmology is growing fastest. The Trustees understand the financial, ethical, and reputational risks involved and have ensured the co-operation of appropriate local partners to assist with the move into these new markets.

f. Plans for the future

The Trustees plan to continue growing the Association's education provision through an increased emphasis on online education and co-operating with appropriate local partners to support this development. Furthermore, the Association has expanded its education provision through the introduction of a new Level 2 basic qualification in gemmology titled GemIntro, which the Trustees plan to make available in other languages for markets the Association currently serves. This is an online only qualification that will provide a broad introduction to the wonderful world of gems and gemmology. The Trustees also plan to increase Membership engagement and will be focusing on the developing and delivering strategic initiatives to address the needs of our members and build on existing Membership programmes. Going forward the trustees will continue to adhere to the Association's mission statement.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management

a. Constitution

The Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 15 August 1985 and amended to allow for Charity status on 11 October 2005 and further amended on 23 June 2016. It is registered as a charity with the Charity Commission.

The Members of Council and Trustees, who are also the directors for the purpose of company law were:

- Justine Carmody FGA (Chair)
- Christopher Smith FGA
- Joanna Hardy FGA
- Philip Sadler FCCA, FGA, DGA
- Pia Tonna (appointed 26/10/2022)
- Kate Flitcroft (appointed 26/10/2022)
- Maggie Campbell Pedersen FGA (appointed 26/10/2022)
- Nevin Bayoumi-Stefanovic
- Richard Drucker (appointed 26/10/2022)
- Kathryn Bonanno Patrizzi (resigned 26/10/2022)
- Louise Goldring (resigned 26/10/2022)

b. Methods of appointment or election of Trustees

The management of the group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Recruitment and appointment

Trustees are appointed as set out in the Articles of Association; when considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

None of the Members of Council and Trustees has any beneficial interest in the company. All of the Members of Council and Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

d. Organisation

The Association is administered by the Board of trustees - The Council' - which may have up to 10 members and 3 appointed members. The Board meets regularly and there are sub-committees and task groups covering specific governance or development issues that are constituted and which meet as required. A Chief Executive Officer is appointed by the Trustees to advance the Charitable Mission of the Association and to manage its day-to-day operations. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and the development of activities and services.

e. Induction and training

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

f. Related parties

The Association's wholly owned subsidiary, Gemmological Instruments Limited, provides books, equipment and sample gem materials, primarily to Members and students. Gemmological Instruments Limited may donate its profits to the Association.

Small companies exemption

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

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Justine Carmody FGA
(Chair of Trustees)

Date: 29-Aug-23 | 17:39 BST

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of The Gemmological Association of Great Britain (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity balance sheet, the consolidated statement of cash flows and the related notes, 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 group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's 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 and the Charities Act 2011.

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 group's or the parent 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.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****Other information**

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of Trustees

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

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

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****Auditor's responsibilities for the audit of the financial statements**

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Blick Rothenberg Audit Ltd

Russell Tenzer FCA (senior statutory auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Chartered Accountants

Statutory Auditor

16 Great Queen Street

Covent Garden

London

WC2B 5AH

Date: 01.09.2023

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	-	-	3,020
Charitable activities	5	1,995,600	1,995,600	1,716,722
Trading activities		992,149	992,149	1,086,854
Total income		2,987,749	2,987,749	2,806,596
Expenditure on:				
Raising funds		484,211	484,211	583,031
Charitable activities:	6			
Membership costs		337,729	337,729	291,524
Education costs		1,913,797	1,913,797	1,651,971
Total expenditure		2,735,737	2,735,737	2,526,526
Net income before taxation		252,012	252,012	280,070
Taxation	12	(68,416)	(68,416)	(100,607)
Net movement in funds before other recognised gains		183,596	183,596	179,463
Other recognised gains:				
Gains on revaluation of fixed assets		34,000	34,000	-
Net movement in funds		217,596	217,596	179,463
Reconciliation of funds:				
Total funds brought forward		2,470,991	2,470,991	2,291,528
Net movement in funds		217,596	217,596	179,463
Total funds carried forward		2,688,587	2,688,587	2,470,991

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

REGISTERED NUMBER: 01945780

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN
(A company limited by guarantee)

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	28,172	27,401
Tangible assets	14	3,770,512	3,763,632
		3,798,684	3,791,033
Current assets			
Stocks	16	173,831	161,123
Debtors	17	185,683	119,758
Cash at bank and in hand		1,095,065	1,283,523
		1,454,579	1,564,404
Creditors: amounts falling due within one year	18	(989,103)	(1,246,075)
Net current assets		465,476	318,329
Total assets less current liabilities		4,264,160	4,109,362
Creditors: amounts falling due after more than one year	19	(1,575,573)	(1,638,371)
Total net assets		2,688,587	2,470,991
Charity funds			
Restricted funds	20	-	-
Unrestricted funds	20	2,688,587	2,470,991
Total funds		2,688,587	2,470,991

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

**CONSOLIDATED BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

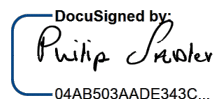
The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

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Justine Carmody FGA
(Chair of Trustees)

DocuSigned by:

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Philip Sadler FCCA
(Trustee)

Date: 29-Aug-23 | 17:39 BST

The notes on pages 20 to 44 form part of these financial statements.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	24,104	21,300
Tangible assets	14	3,769,495	3,762,361
Investments	15	210,000	210,000
		<u>4,003,599</u>	<u>3,993,661</u>
Current assets			
Stocks	16	49,446	51,151
Debtors	17	95,372	61,495
Cash at bank and in hand		335,225	525,768
		<u>480,043</u>	<u>638,414</u>
Creditors: amounts falling due within one year	18	(1,471,766)	(1,418,028)
Net current liabilities		<u>(991,723)</u>	<u>(779,614)</u>
Total assets less current liabilities		<u>3,011,876</u>	<u>3,214,047</u>
Creditors: amounts falling due after more than one year	19	(1,575,573)	(1,638,371)
Total net assets		<u><u>1,436,303</u></u>	<u><u>1,575,676</u></u>
Charity funds			
Unrestricted funds		<u>1,436,303</u>	<u>1,575,676</u>
Total funds		<u><u>1,436,303</u></u>	<u><u>1,575,676</u></u>

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

**CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

The charity's net movement in funds for the year was £(139,373) (2021 - £(121,290)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

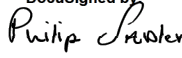
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Philip Sadler FCCA
(Trustee)

The notes on pages 20 to 44 form part of these financial statements.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	23	(113,885)	610,843
Cash flows from investing activities			
Purchase of intangible assets	13	(11,699)	(21,300)
Purchase of tangible fixed assets		-	(24,784)
Net cash used in investing activities		(11,699)	(46,084)
Cash flows from financing activities			
Repayments of borrowing		(62,798)	(46,521)
Net cash used in financing activities		(62,798)	(46,521)
Change in cash and cash equivalents in the year		(188,382)	518,238
Cash and cash equivalents at the beginning of the year		1,283,086	764,848
Cash and cash equivalents at the end of the year	24	1,094,704	1,283,086

The notes on pages 20 to 44 form part of these financial statements

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Gemmological Association of Great Britain is a private company limited by guarantee incorporated in England and Wales. The registered office is 16 Great Queen Street, London, WC2B 5AH and its principal place of business is at 21 Ely Place, London, EC1N 6TD. It is also a registered charity with charity number 1109555.

The group consists of The Gemmological Association of Great Britain and all of its subsidiaries.

In the event of the charity being wound up, the members' liability in respect of the guarantee is limited to £10 per member of the charity.

The financial statements are prepared in Sterling (£), which is the functional currency of the Association. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Gemmological Association of Great Britain meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

After making enquiries, the Trustees have a reasonable expectation that the group has adequate resources to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date these financial statements were approved. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income arising through providing educational courses and course materials as well as membership and subscription income is recognised on an accruals basis with amounts received in advance being shown in deferred income.

Other trading income consists of the sale of scientific instruments, journals and amounts receivable for goods and services, including licensing fees, provided in the normal course of business, net of discounts, VAT and other sales related taxes and is measured at the fair value of the consideration received or receivable. Other trading income is recognised at the point of sale.

Cash donations are recognised on receipt. Other donations are recognised once the Association has been notified of the donation, unless performance conditions require deferral of the amount.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

2.4 Expenditure

All resources expended are recognised on an accruals basis.

Support costs are apportioned by analysing the level of administration time required for each charitable activity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs are those functions that assist the work of the charity but do not directly relate to charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between the expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6 and 7.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the group's objectives, as well as any associated support costs.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.5 Intangible assets and amortisation**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following bases:

Website costs	- 33 % reducing balance
Course development	- straight-line over 3 years

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold property is initially recognised at cost. After recognition, under the revaluation model, freehold property whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, a charity may need to estimate fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****2. Accounting policies (continued)****2.6 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is not charged on freehold land and buildings as the charity has a policy of maintaining the property to a high standard and accordingly the property has a high residual value and an indefinite useful life. Any depreciation that would be required would be immaterial. An annual impairment review is conducted on the property and in the event that an impairment was identified, this would be recognised as an impairment loss in the income and expenditure account.

No depreciation is provided in respect of Examination and Teaching Collections of Gems and Stones as the charity has a policy of maintaining the collections to a high standard and accordingly the Collections have a high residual value and an indefinite useful life. Any depreciation that would be required would be immaterial. The Trustees consider annually whether the value of the collection has been impaired.

Depreciation is provided on the following bases:

Freehold land	-	not depreciated
Fixtures and fittings	-	20% and 33% reducing balance
Teaching stone collections	-	not depreciated

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of financial activities.

2.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks represent gemstones, course notes, textbooks and scientific testing equipment. Stock is valued on an average cost basis and is stated at the lower of cost and estimated selling price less selling costs. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Taxation

The Association, a registered charity, 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. The Charity satisfies the tests set out in the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading subsidiary donates an amount equal to its annual taxable profit, if any, under Gift Aid to its parent company, The Gemmological Association of Great Britain. During the year ended 31 December 2022, the donation amounted to £140,724 (2021: £156,063) and relates to the profits earned in 2022 by the subsidiary.

The trading subsidiaries adopt the following policies in respect of tax. The tax expense for the year comprises current and deferred tax. Tax is recognised in the corresponding profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of taxable profit for the year or prior years.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****2. Accounting policies (continued)****Financial instruments (continued)****Financial assets**

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the group would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**Financial instruments (continued)****Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Association is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.13 Pensions**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.15 Foreign currencies**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.16 Basis of consolidation

The consolidated financial statements incorporate those of The Gemmological Association of Great Britain and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the acquisition method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2022. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the consolidated statement of financial activities for the period.

The accounts consolidate the results of the charity and its wholly owned subsidiaries, on a line by line basis. A separate statement of financial activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The charity has also taken advantage of the exemption afforded by section 1.12 of FRS102 in not preparing a separate statement of cash flow for The Gemmological Association of Great Britain as a separate entity.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Valuation of property: the freehold property was revalued in 2023 on an open market basis as disclosed in note 15.

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Legacies	-	-	3,020
	<u> </u>	<u> </u>	<u> </u>
Total 2021	<u>3,020</u>	<u>3,020</u>	

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****5. Income from charitable activities**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities	1,995,600	1,995,600	1,716,722
	<u> </u>	<u> </u>	<u> </u>
Total 2021	1,716,722	1,716,722	
	<u> </u>	<u> </u>	

	Membership income 2022 £	Education income 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities	206,567	1,789,033	1,995,600	1,716,722
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2021	208,600	1,508,122	1,716,722	
	<u> </u>	<u> </u>	<u> </u>	

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****6. Expenditure**

The basis of allocation for expenditure is 15% to membership and 85% to education.

	Membership costs 2022 £	Education costs 2022 £	Total funds 2022 £	Total funds 2021 £
Direct costs				
Service provision	111,039	629,224	740,263	576,638
Bad debts	(1,155)	(6,544)	(7,699)	1,453
Travel	585	3,312	3,897	1,461
Printing, postage and stationery	2,415	13,686	16,101	14,815
Advertising	14,849	84,146	98,995	30,188
Repairs	5,614	31,811	37,425	41,945
Rates	1,991	11,285	13,276	13,606
Insurance	6,043	34,241	40,284	35,756
Cleaning	1,301	7,370	8,671	7,672
Telephone	956	5,418	6,374	5,119
Subscriptions	2,805	15,898	18,703	2,728
Light and heat	1,620	9,178	10,798	12,677
	<u>148,063</u>	<u>839,025</u>	<u>987,088</u>	<u>744,058</u>
Total 2021	<u>111,608</u>	<u>632,450</u>	<u>744,058</u>	

	Membership costs 2022 £	Education costs 2022 £	Total funds 2022 £	Total funds 2021 £
Support and governance costs				
Share of support costs (see note 7)	184,416	1,045,024	1,229,440	1,161,437
Share of governance costs (see note 7)	5,250	29,750	35,000	38,000
	<u>189,666</u>	<u>1,074,774</u>	<u>1,264,440</u>	<u>1,199,437</u>
Total 2021	<u>179,916</u>	<u>1,019,521</u>	<u>1,199,437</u>	

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****Charitable expenditure by activity**

	Membership costs 2022 £	Education costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	148,063	839,025	987,088	744,058
Support and governance costs	189,666	1,074,774	1,264,440	1,199,437
	<u>337,729</u>	<u>1,913,799</u>	<u>2,251,528</u>	<u>1,943,495</u>
Total 2021	<u>291,524</u>	<u>1,651,971</u>	<u>1,943,495</u>	

7. Support and governance costs

	Support costs 2022 £	Governance costs 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	887,843	-	887,843	794,941
Depreciation and amortisation	38,050	-	38,050	61,244
Administration	224,896	-	224,896	241,579
Audit fees	-	35,000	35,000	25,000
Accountancy	-	11,500	11,500	13,000
Loan interest	80,939	-	80,939	63,673
	<u>1,231,728</u>	<u>46,500</u>	<u>1,278,228</u>	<u>1,199,437</u>
Total 2021	<u>1,161,437</u>	<u>38,000</u>	<u>1,199,437</u>	

8. Other gains and losses

	2022 £	2021 £
Gain on revaluation of freehold property	<u>34,000</u>	<u>-</u>

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****9. Auditor's remuneration**

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	30,000	25,000
Fees payable to the charity's auditor in respect of: All non-audit services not included above	12,500	12,500

10. Staff costs

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	761,447	687,457	761,447	687,457
Social security costs	87,908	73,724	87,908	73,724
Contribution to defined contribution pension schemes	38,488	33,760	38,488	33,760
	887,843	794,941	887,843	794,941

The average number of persons employed by the charity during the year was as follows:

	Group 2022 No.	Group 2021 No.	Charity 2022 No.	Charity 2021 No.
Senior management	1	1	1	1
Lecturers and administration	10	10	10	10
General administration	7	8	7	8
	18	19	18	19

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	1	-
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1

Remuneration and benefits received by key management personnel during the year amounted to £239,930 (2021: £105,410).

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year, no Trustee expenses have been incurred (2021 - £NIL).

12. Taxation

	2022 £	2021 £
Corporation tax		
Foreign tax on income for the year	68,416	100,607
The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:		
	2022 £	2021 £
Net income before tax	252,012	280,070
Net income multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%).	47,882	53,213
Effects of:		
Higher rate taxes on overseas earnings	20,534	69,422
Other differences leading to an increase/(decrease) in the tax charge	-	(22,028)
Total tax charge for the year	68,416	100,607

From 1 April 2023, there is no longer a single Corporation Tax rate for non-ring fence profits.

At the Spring Budget 2021, the government announced that the Corporation Tax main rate for non-ring fence profits would increase to 25% for profits above £250,000.

A small profits rate of 19% was also announced for companies with profits of £50,000 or less.

Companies with profits between £50,000 and £250,000 will pay tax at the main rate, reduced by a marginal relief. This provides a gradual increase in the effective Corporation Tax rate.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****13. Intangible assets****Group**

	Course development £	Company website £	Goodwill £	Total £
Cost				
At 1 January 2022	82,751	21,056	69,174	172,981
Additions	11,699	-	-	11,699
At 31 December 2022	94,450	21,056	69,174	184,680
Amortisation				
At 1 January 2022	61,451	14,956	69,173	145,580
Charge for the year	8,895	2,033	-	10,928
At 31 December 2022	70,346	16,989	69,173	156,508
Net book value				
At 31 December 2022	24,104	4,067	1	28,172
At 31 December 2021	21,300	6,100	1	27,401

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****13. Intangible assets (continued)****Charity****Course
development
£****Cost**

At 1 January 2022

82,751

Additions

11,699

At 31 December 2022

94,450**Amortisation**

At 1 January 2022

61,451

Charge for the year

8,895

At 31 December 2022

70,346**Net book value**

At 31 December 2022

24,104

At 31 December 2021

21,300

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****14. Tangible fixed assets****Group**

	Freehold property £	Fixtures and fittings £	Examination and teaching collections £	Total £
Cost or valuation				
At 1 January 2022	3,566,000	403,176	108,164	4,077,340
Revaluations	34,000	-	-	34,000
At 31 December 2022	<u>3,600,000</u>	<u>403,176</u>	<u>108,164</u>	<u>4,111,340</u>
Depreciation				
At 1 January 2022	-	313,708	-	313,708
Charge for the year	-	27,120	-	27,120
At 31 December 2022	<u>-</u>	<u>340,828</u>	<u>-</u>	<u>340,828</u>
Net book value				
At 31 December 2022	<u>3,600,000</u>	<u>62,348</u>	<u>108,164</u>	<u>3,770,512</u>
At 31 December 2021	<u>3,566,000</u>	<u>89,468</u>	<u>108,164</u>	<u>3,763,632</u>

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****14. Tangible fixed assets (continued)****Charity**

	Freehold property £	Fixtures and fittings £	Examination and teaching collections £	Total £
Cost or valuation				
At 1 January 2022	3,566,000	363,869	108,164	4,038,033
Revaluations	34,000	-	-	34,000
At 31 December 2022	<u>3,600,000</u>	<u>363,869</u>	<u>108,164</u>	<u>4,072,033</u>
Depreciation				
At 1 January 2022	-	275,672	-	275,672
Charge for the year	-	26,866	-	26,866
At 31 December 2022	<u>-</u>	<u>302,538</u>	<u>-</u>	<u>302,538</u>
Net book value				
At 31 December 2022	<u>3,600,000</u>	<u>61,331</u>	<u>108,164</u>	<u>3,769,495</u>
At 31 December 2021	<u>3,566,000</u>	<u>88,197</u>	<u>108,164</u>	<u>3,762,361</u>

The Charity owns a library of books and a collection of gems which meet the definition of heritage assets. The Trustees are of the opinion that there would be no benefit to the Charity in incurring costs to value the collections. These heritage assets have therefore not been recognised in the accounts.

The freehold property was valued on 10 July 2023 by James Berlin & Associates, an independent and RICS qualified valuer, using market based evidence for similar properties sold in the area.

The group has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Freehold property	<u>2,982,012</u>	<u>2,982,012</u>	<u>2,982,012</u>	<u>2,982,012</u>

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****15. Fixed asset investments**

	Investments in subsidiary companies £
Charity	
Cost	
At 1 January 2022	210,000
At 31 December 2022	210,000
Net book value	
At 31 December 2022	210,000
At 31 December 2021	210,000

Principal subsidiaries

The following were subsidiary undertakings of the charity:

Names	Registered office or principal place of business	Class of shares	Holding	Included in consolidation
Gemmological Instruments Limited	England and Wales	Ordinary	100%	Yes
Gemmological Consulting (Beijing) Co. Limited	China	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets/ (liabilities) £
Gemmological Instruments Limited	815,982	(385,877)	430,105	1,612,315
Gemmological Consulting (Beijing) Co. Limited	669,761	(603,056)	66,705	(150,024)

The Association's wholly owned subsidiary, Gemmological Instruments Limited (company number 00838324) provides books, equipment and sample gem materials primarily to members and students. The subsidiary also received licensing income from its Chinese subsidiary for the use of its study materials.

Gemmological Consulting (Beijing) Co. Ltd is a wholly owned subsidiary of Gemmological Instruments Limited and provides educational courses and study materials in China.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****16. Stocks**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Gemstones, course notes, textbooks and scientific testing equipment	173,831	161,123	49,446	51,151

17. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Due within one year				
Trade debtors	96,915	30,918	24,266	6,429
Other debtors	17,266	36,740	1,356	1,305
Prepayments and accrued income	71,502	52,100	69,750	53,761
	185,683	119,758	95,372	61,495

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank overdrafts	361	437	361	437
Bank loans	138,103	138,103	138,103	138,103
Trade creditors	43,351	197,102	43,890	171,411
Amounts owed to group undertakings	-	-	656,303	519,415
Other taxation and social security	34,640	35,269	29,663	30,215
Other creditors	7,083	35,236	1,707	1,087
Accruals and deferred income	765,565	839,928	601,739	557,360
	989,103	1,246,075	1,471,766	1,418,028

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****Creditors: Amounts falling due within one year (continued)**

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income brought forward	510,678	488,786	510,678	488,786
Resources deferred during the year	524,742	513,721	524,742	513,721
Amounts released from previous periods	(510,678)	(491,829)	(510,678)	(491,829)
	524,742	510,678	524,742	510,678

Deferred income comprises advance payments for membership subscriptions and exams due in the next financial year.

19. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans	1,575,573	1,638,371	1,575,573	1,638,371

Included within the above are amounts falling due as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Between one and two years				
Bank loans	138,104	138,102	138,104	138,102
Between two and five years				
Bank loans	414,310	552,413	414,310	552,413
Over five years				
Bank loans	1,023,159	947,856	1,023,159	947,856

The bank loan is repayable by 2038 and is secured by way of a fixed charge over the freehold property at 21 Ely Place, London, EC1N 6TD. Interest is fixed at 3.25% above the Bank of England base rate.

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****20. Statement of funds****Statement of funds - current year**

	Balance at 1 January 2022 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Unrestricted funds	1,887,003	2,987,749	(2,735,737)	(68,416)	-	2,070,599
Property revaluation	583,988	-	-	-	34,000	617,988
	<u>2,470,991</u>	<u>2,987,749</u>	<u>(2,735,737)</u>	<u>(68,416)</u>	<u>34,000</u>	<u>2,688,587</u>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Unrestricted funds	1,707,540	2,806,596	(2,627,133)	-	-	1,887,003
Property revaluation	583,988	-	-	-	-	583,988
	<u>2,291,528</u>	<u>2,806,596</u>	<u>(2,627,133)</u>	<u>-</u>	<u>-</u>	<u>2,470,991</u>

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****21. Summary of funds****Summary of funds - current year**

	Balance at 1 January 2022 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	2,470,991	2,987,749	(2,735,737)	(68,416)	34,000	2,688,587

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
General funds	2,291,528	2,806,596	(2,627,133)	2,470,991

22. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,770,512	3,770,512
Intangible fixed assets	28,172	28,172
Current assets	1,454,579	1,454,579
Creditors due within one year	(989,103)	(989,103)
Creditors due in more than one year	(1,575,573)	(1,575,573)
Total	2,688,587	2,688,587

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****22. Analysis of net assets between funds (continued)****Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	3,763,632	3,763,632
Intangible fixed assets	27,401	27,401
Current assets	1,564,404	1,564,404
Creditors due within one year	(1,246,075)	(1,246,075)
Creditors due in more than one year	(1,638,371)	(1,638,371)
Total	2,470,991	2,470,991

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	183,596	179,463
Adjustments for:		
Depreciation charges	27,120	30,525
Amortisation charges	10,928	30,719
(Increase)/decrease in stocks	(12,708)	45,555
(Increase)/decrease in debtors	(65,925)	40,468
(Decrease)/increase in creditors	(256,896)	284,113
Net cash provided by/(used in) operating activities	(113,885)	610,843

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	1,095,065	1,283,523
Overdraft facility repayable on demand	(361)	(437)
Total cash and cash equivalents	1,094,704	1,283,086

THE GEMMOLOGICAL ASSOCIATION OF GREAT BRITAIN**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****25. Analysis of changes in net debt**

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,283,523	(188,458)	1,095,065
Bank overdrafts repayable on demand	(437)	76	(361)
Debt due within 1 year	(138,103)	-	(138,103)
Debt due after 1 year	(1,638,371)	62,798	(1,575,573)
	<u>(493,388)</u>	<u>(125,584)</u>	<u>(618,972)</u>

26. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £38,488 (2021: £33,760). Contributions totalling £5,758 (2021: £5,967) were payable to the fund at the balance sheet date and are included in other creditors.

27. Operating lease commitments

At 31 December 2022 the group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	10,645	11,046
Later than 1 year and not later than 5 years	1,759	12,404
	<u>12,404</u>	<u>23,450</u>