

The Guild of International Bankers



Newsletter

Autumn 2006

Sir Peter Middleton Succeeds Michael Kirkwood as Master of the Guild

At a Meeting of the Election Court of the Guild in July 2006, Sir Peter Middleton was elected as Master of the Guild.

Sir Peter is Chairman of Camelot Group plc, President of the British Bankers Association, Chairman of Marsh Ltd, Chairman of the Barclays Group Asia Pacific Advisory Committee, Deputy Chairman of United Utilities, Chairman of CEDR (Centre for Effective Dispute Resolution), Chairman of Reyniers & Co and also chairs Creative Sheffield (a regeneration company). He is Chancellor of the University of Sheffield and a member of the Advisory Boards of Marsh McLennan Companies, Financial Dynamics and MTS. He was a Board member of Bass PLC from 1992-2001 and General Accident (later CGU) from 1992-1995. Sir Peter spent nearly 30 years at H M Treasury, working closely with nine chancellors, and was Permanent Secretary from 1983 to 1991. He also chaired a review of the British Film Industry for the Thatcher Government and a review of Civil Justice for the Blair Government. Sir Peter became Group Chairman of Barclays Bank PLC in April 1999 and retired in August 2004. He joined Barclays in 1991 as Group Deputy Chairman and Executive Chairman of BZW, became Chairman of Barclays Capital following the reorganisation of BZW in October 1997 and was Group Chief Executive from November 1998 until October 1999. Sir Peter was educated at Sheffield City Grammar School and at Sheffield and Bristol Universities where he studied economics and statistics. He is an Honorary Fellow of the London Business School and was a visiting Fellow at Nuffield College, Oxford. He is a Fellow of the Institute of Bankers. Sir Peter includes among his interests mountain walking, music (particularly opera) and most sport, including fishing.

"I am honoured and delighted to be chosen as your Master and my first duty must be to thank the Immediate Past Master, Michael Kirkwood, for all his efforts during his year in office. The Guild is in good shape in all respects and I am pleased to be able to report that the Guild achieved an operating surplus for the year of just over £13,500, part of which has been retained as an income reserve and the balance contributed to the Trust in accordance with the Ordinances. The Annual Reports and Accounts for the Guild and the Trust for the year to 30th June 2006 were adopted by the Court on 20th September. Once again Guild members have been most generous in supporting the Trust with a participation rate of

over 95%. The total funds of the Trust, including the K C Wu Memorial Fund, were just under £600,000 at 30th June 2006. The Membership Committee continues to promote the Guild amongst potential members and their strategy, together with Guild member introductions, has been very successful, with almost 100 new members joining the Guild in the past year. I urge you all to continue to do what you can to attract further members to our Guild as we must continue to attract younger members and established professionals. The Charity & Education Committee has instigated many changes to their structure and strategy over the past year and, with the Master's Committee and Court support, your donations are being put to very good use. It has been particularly pleasing to note the progress of our Guild Scholars, with Rula having now left the Girls School to go up to University and Andre continuing to excel at the Boys School. The events organised by the Events Committee continue to attract excellent support from our members and I hope to see you at the forthcoming functions.

During the next twelve months I anticipate that there will be two significant changes to the Guild. Firstly, after discussing the matter fully at the Court Meetings, it has been decided to Petition to change our title to "The Worshipful Company of International Bankers". This will not only avoid confusion about our standing but will also bring us into line with the majority of the Livery Companies. Secondly, we have commenced a Petition for Royal Charter, which will allow the Guild to become 'incorporated' so that individual Trustees can be replaced by a body of Trustees. We can also hold property, land or investments in our own name and the liability of the people responsible for the Guild can be limited. We will, of course, keep you fully notified of the outcome.

You should all be aware of the importance of supporting your Guild in ways other than donating money. We need you to identify and sponsor new members; to volunteer your time for the Committees or sub-Committees of the Guild and as potential speakers at events that we organise at universities and schools; to ensure that you obtain your Freedom of the Guild and the City so that you can progress to Liveryman; to involve yourselves with the City and increase our standing within the community. I look forward to receiving your support in these areas and to representing you and the Guild at official functions and events."



Sir Peter Middleton

The Guild of International Bankers

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The Master, Wardens and Court of Assistants

Master	Sir Peter Middleton
Deputy Master/Senior Warden	Angus McLennan
Middle Warden	Henry Angest
Junior Warden	Roger Gifford
Immediate Past Master	Michael Kirkwood
Past Masters	Lord George of St Tudy
	Sir William Purves
	Sir Brian Pitman
	Sir Paul Newall
Court Members	Anthony Belchambers
	Mr Peter Bürger
	Peter Capel
	Edward Charlton (Chairman Events Cttee)
	Clifford Dammers
	Jill Enzmann
	Clara Furse
	Mark Garvin
	Roger Gifford
	Martin Hall
	Count Greger Hamilton
	Simon Hills
	Stanley Hurn (Chairman Charity & Education Cttee)
	Joseph King (Chairman Finance Cttee)
	Stephen Lockley (Chairman Membership Cttee)
	Simon Robertson
	Carol Sergeant
	Eric Stobart
	James Tree
	Derek Tullett CBE
	William Whitehead
	Robert Wigley
Honorary Officers	Chaplain: Cannon Dr Newell
Honorary Members of the Guild	Lord Browne of Madingley
	Mervyn King
	Sir John Major
	William McDonough
	Charles Prince
	Jean-Claude Trichet

Charities & Education Report

by Stan Hurn, Chairman

A new financial year and the start of a new era for the Charities & Education Committee. The new funding arrangements agreed earlier in the year are being implemented and this has been accompanied by changes in the structure and operation of the Committee. Please read on and see how you may be able to participate directly in this important area of the Guild's activities.

In the Spring 2006 issue of the Newsletter I reported the new basis on which funding and disbursement in the charity and education sector would be managed by the Guild; in popular jargon, new 'rules of engagement' have been introduced. In the Guild's current financial year, that is, from July 2006 to June 2007, it is estimated that in the region of £65,000 will be available for disbursement by the Guild for education and charity projects. This is a great deal more than has previously been available and to ensure that this money is used both appropriately in the furtherance of the Guild's aims and productively to get best value for money, the Committee has itself undertaken some internal reorganisation. We recognise that there are in fact three distinct areas of our remit; education, educational charity and other charity and that each needs a different approach. To ensure best use of time and to limit duplication, within the Committee we have created three 'working groups', one for school level projects, one for university level projects and one for vocational level projects. In addition as reported in the last newsletter a discretionary fund has been set up, for administration by the Committee, for smaller charitable projects; this is to be known as the 'Small Charitable Bequest Fund'. I will say more about this Fund and how its resources can be accessed in a future newsletter.

The Schools Working Group (SWG) is led by Jane Platt, who we congratulate on her recent appointment by the Chancellor as Chief Executive of National Savings & Investments. Within the remit of this Group come school bursaries including those at both the City of London Boys and Girls Schools. The Guild's first badged scholar at the CofL Girls School has, following excellent exam results, taken up a place at Bristol University to study Politics and Economics. We wish her every success. Following discussions with the school, in future this bursary (of c.£5,000 pa) will be split between two pupils thus giving the Guild two badged scholars. Our scholar at the City of London Boys School is continuing to excel and he has received another fantastic term report for the second year. I am looking forward to meeting him again on the 11th November, when he and his mother will be accompanying Guild and CVHQ members as we parade in the Lord Mayor's Show.

The increased funding now available has enabled the SWG to initiate discussions which will lead to the Guild establishing a working relationship with initially two schools in boroughs neighbouring the City. The aim is to identify schools where the Guild can make a real difference because the schools do not already have established links with financial services. In doing so we shall be following a well trodden path for livery companies. The SWG is in discussion with the Education Business Partnerships for both Southwark and Westminster and we expect to select the schools shortly. Links by livery companies with schools are a valuable asset for both sides. On the one hand it gives the schools contact with a potential future area of employment – many of the children at the

schools we select for instance will end up working at all levels in the financial sector; on the other it gives potential future employers a chance to assist in the development of the skills most needed in future employment.

An association by any school with this Guild has the added advantage that we represent more than any other livery company the present day activities of the City. Once the Guild's links to the selected schools have been established there will be opportunities for all members of the Guild to get involved in making them mutually beneficial. Jane will write about how you can help in a future issue of the newsletter but I would say immediately to younger members of the Guild that your experience of coming to the City and what it is really like working here is something many current pupils would like to hear about.

The Universities Working Group (UWG) is led by Sean Hanafin of Barclays Capital. The Guild has been involved in a number of projects in the universities area most notably with the Sir John Cass Business School. Earlier this year we were able at short notice to provide funding for a student of the school to attend a Cass China Symposium in Shanghai. The symposium which is attended by business leaders from the East Asian region took place in July; the student to benefit from the funding will be selected shortly on the basis of reports written following the symposium. A further report will be made after the selection has been made.

On 5th October the UWG helped organise and took part in a 'question and answer' session at Warwick University the purpose of which was to give students interested in a career in the City the opportunity to ask questions in an independent and impartial forum; questions which they might be reticent in asking at individual banks 'milk round' presentations. Sessions such as these not only give potential City employees a balanced view of institutions, their roles and in a general way the opportunities open to graduates in the City but also introduce them (our future potential members) to the Guild at an early stage. If the results of this first session prove useful we may follow it up next year with a series of sessions at different universities. Perhaps you would like to volunteer to help with your alma mater?

On a broader level the C&E committee in general and the UWG in particular is currently evaluating how the Guild may best accomplish its objectives in the universities area; indeed not least in defining what these objectives are. The Guild clearly needs contact with and publicity in the higher education arena; as mentioned earlier, many of our future members will come from this background. Here the distinction between education and educational charity is likely to be important. Some of the more established livery companies have considerable funds every year to support higher education in the form for instance of bursaries and academic funding. This Guild is not (yet) in that position; the funds that are available are likely to be used on such things as prizes and

travel awards related to the banking and finance sector. But in addition to this the Guild needs to act as an ambassador for the banking and finance industry in this arena and here the non financial support the Guild is able to provide comes to the fore. UWG members are in discussion with various universities including Durham, Loughborough and Warwick and with the IFS, itself now a degree awarding body, to determine what is needed and where the Guild can most productively provide this support. Non-financial support effectively means our members time and expertise; when the time comes we will be seeking your assistance.

In many ways the most developed area of activity for both the C&E Committee and the Guild are in vocational and training projects. This has much to do with the initiatives of my predecessor Jill Enzmann in opening up a relationship with the Brokerage Citylink and her commitment to develop this association. In the new funding circumstances we have been able to take this one stage further and make a major financial commitment to the Brokerage. Bill Whitehead of Commerzbank who heads the third working group, the Vocational Working Group (VWG), has joined their Board of Trustees. The close relationship is further enhanced by the fact that both Richard Zaborski of UBS, Chairman of the Brokerage and Caroline Reeson, their Managing Director sit on the C&E Committee! The Guild has made this commitment because the Brokerage provides the Guild with a ready made vehicle to further our objectives in providing opportunities for young people in the London boroughs to become involved with the City at an early stage and in a way they might not otherwise be able to.

This year several Guild members' firms offered summer training employment to inner London students as part of the Brokerage's Business Traineeship Programme. This scheme attracts large numbers of talented young people and by offering a placement to one or more of them, members firms get first hand experience of the talented local labour. If any member wishes to learn more about the opportunities and benefits of this scheme please contact the Clerk.

The second major initiative of the VWG is the creation of the Investment Banking student tracking and recruitment programme. This programme will provide a three year package of support for talented A-level leavers across the 32 London boroughs. The programme will build on the relationships that the Brokerage has developed with schools across the ten most disadvantaged boroughs in London and will aim to ensure a diverse mix of candidates are considered for the programme. Most of the major investment banks have agreed to participate in the programme. Over time we anticipate that a growing number of young students will be attracted to a career in the City and that the City's local connections and diversity will be further enhanced.

Throughout this report there has been a sub-text about how members of the Guild can become involved in furthering the Guild's educational and charitable aims. This is a development the C&E Committee is keen to foster; it is of the essence of the modus operandi of livery companies that all members are able to be, and do become, involved in their Guild's charitable and educational work. To get things underway, working closely with the Clerk and the Guild Office, the C&E Committee has begun work on drawing up an enhanced 'Register of Speakers and Volunteers'. Initially this has arisen from of our being asked to provide speakers by schools and by other bodies but in the future there are likely to be more calls for support. Shortly all members will be canvassed to see whether they would like to participate; if you would like to do so, and the Committee hopes you will, you will be asked to provide some basic details of interests and experience. To start with there are likely to be only limited calls on the Register but as the Guild's contacts, experience and profile increases we would hope the Guild will be able to become more pro-active in the sure knowledge that its members are willing to commit their time, effort and expertise to these 'good causes'.

Freedom of the Guild

Although we normally refer to you as a 'member' of the Guild, historically you should be referred to as a 'Freeman' because when the Guild was granted Company without Livery status in 2003, all members of the Guild automatically became 'Freemen of the Guild' to reflect their new status in accordance with the Livery traditions of the City. However in order to become a recognised Freeman, you must make a 'Declaration' (either before the Master, Senior Warden or a Past Master with the Clerk in attendance). The Freedom of the Guild ceremonies are usually arranged to coincide with a Guild function or event. The 'Declaration' is read aloud from a printed sheet and covers such matters as keeping

the laws and rules, and helping and furthering the good government of the Guild. Following the Declaration, each Freeman will then be presented with a certificate as proof of admission and will be 'fined' (a one-off payment) as each person becomes a Freeman by 'Redemption' (the Freedom is purchased). This certificate can then be used as proof of admission as a Freeman of the Guild and can be taken to the Chamberlain's Court of the Corporation of London when an application is made for Freedom of the City, which is the next step in progression through the Company.

Currently we have 341 recognised Freemen.

KC WU Memorial Fund Donation for Nianzi School in China

by Peter Bürger, Court Assistant

As reported in our Spring newsletter, the Trustees of the Charitable Trust, after consulting the executors for K C Wu determined that a portion of the restricted funds should in future be disbursed in his memory in support of a school in China. Together with the Bank of China, the Trustees selected the Baoshan Middle School Beijing. It was felt that this would be a fitting memorial to KC Wu and could help to inspire young students in China to follow in his footsteps in London one day.

Our Singapore-based Court Member Peter Bürger has now visited the school on his recent trip as part of a 65 member's strong business delegation travelling with the Lord Mayor to Japan and China. From Beijing, he visited Nianzi Village Middle School in Huairou District Baoshan Town. The school is already receiving support from the Bank of China and our donation of £5,000 was used for the purchase of computer equipment for the classroom, a server and internet access. This now enables the school children to have regular computer classes as well as to research topics of interest on the internet.

Peter was accompanied by his colleague Martin Miller of Commerzbank Beijing and Mr. Zhang Zhaojie of the Bank of China head office in Beijing, both of whom assisted with the translation. It took approximately four hours by car to Nianzi, half of which was spent navigating the centre and outskirts of Beijing and the remainder rural, hilly countryside roads winding through several deep valleys before reaching Nianzi.

The delegation received a hearty welcome by the school principal Mr. Wang Zhansheng and his deputy together with the President of Baoshan Middle School as well as two senior Party officials. We were treated to an excellent luncheon after the long journey and a school visit meeting with the children. Nianzi village counts some 500 residents and the middle school 90 children between the ages of 12 to 14.

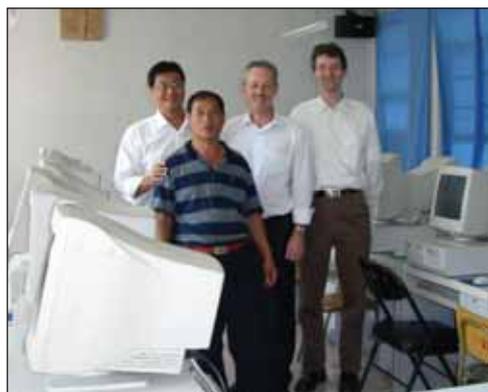
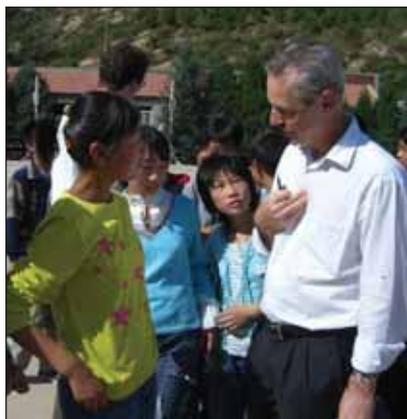
Peter explained the life and achievements of KC Wu by reference to the book 'London Enriched' written by Adrienne Gleeson on the occasion of the 50th Anniversary of the Foreign Banks Association in London in 1997. Many members of the Guild will recall this fine book with photographs of KC Wu during his time in the City. The children were eagerly asking questions and were far from shy to use the opportunity to practice English.

We learnt that the power supply cables to the classroom had proven too weak to run all computers simultaneously. The school has applied for funding to improve the situation (c.£10,000), but this request had not yet been granted. In future years, this may be an area of assistance for the Guild together with Bank of China.

Upon leaving, the principal and other officials once more expressed their gratefulness for our donation. Our assistance and interest in the school might just achieve KC Wu's vision of ever-closer personal ties between China and the City of London and many more Chinese bankers practicing in the City, just like the unforgettable KC.



Photo taken during the Lord Mayor's China/Tokyo visit in September. Cass Evening in Beijing (from left to right) Mr Peter Bürger, The Lord Mayor, A Chinese Guest, Mr Jack Wigglesworth, and Mr Neil Sampson



Membership Committee Report

by Stephen Lockley, Chairman

I am pleased to inform you that, for the second year running, we have seen almost 100 new members join the Guild over the past membership year. I am also pleased to note that around half of these new members were overseas nationals, with 17 different nationalities being represented.

Furthermore, around one third were under the age of 40. Somewhat disappointingly, only around ten per cent were women, down from nearer twenty per cent the year before. The Membership Committee will therefore look at ways to encourage more women to join the Guild in the future.

We continue to seek ways of promoting awareness of the Guild among different groups within the financial services sector and the last year has seen us arrange targeted seminars for younger bankers, venture capitalists, stockbrokers, investment bankers and senior bankers. Our speakers at these events have included such well known City figures as Sir Brian Pitman, Bob Diamond and Jon Moulton. On behalf of the Committee, I would like to thank all of those who have spoken at these events, as well as those who have worked hard behind the scenes in organising them. Looking forward, we have similar events planned which will focus on hedge fund managers (in conjunction with the Chartered Alternative Investment Analysts Association) and women in banking (this will be held jointly with Cass Business School). The Committee continues to consider similar opportunities to further the Guild's external profile and is always open to suggestions from members!

Following on from the informal discussion groups conducted

among members last year, we believe it is important to try to stay close to members' developing thinking and views about the Guild. We need to understand your expectations of the Guild in order to continue to make membership a valuable experience. To that end, you will shortly be receiving a brief membership questionnaire which I would urge you to take a few minutes to complete and return to the Guild office. Its findings will prove invaluable in our efforts to keep the Guild relevant to the needs of members.

The Guild has now 'come of age' as a fully fledged livery company and is a significantly different organisation from the Overseas Bankers Club, from which many of our early members were drawn. Livery companies have an important role to play within the City of London and it is vital that as many as possible of our members make the long term commitment which belonging to a livery company involves. The first step in this is to become a Freeman of the Guild and, if you have not yet done so, I urge all members to take this important step. Those members who have been with the Guild for over two years may then be eligible to apply to be considered for Liveryman status. This is an important commitment to supporting the Guild's standing within the City over the longer term and I recommend it to all members who are eligible.

Freedom of the City

Freedom of the City involves taking an oath of loyalty and the Roll is then signed, the right hand of friendship is extended and the certificate of freedom is received. The certificate of a Freeman of the City must then be taken to the Guild Office in order to apply for Livery status (but you may apply for this to be done by proxy). Everyone applying for Livery must be a Freeman of the Guild and a Freeman of the City. Livery status will be awarded at the discretion of the Court. Liverymen will be eligible for the Court of Assistants and thereafter through the various degrees of Wardens to become Master. When you wish to apply for the Freedom of the City, the procedure is as follows:

- Telephone the Clerk of the Chamberlain's Office in Guildhall (020 7332 3055) and advise him that you are Free of the Guild of International Bankers and wish to make an appointment to attend and be duly sworn.
- Take with you: your birth certificate, a fee of £25 and a copy of the Freedom Certificate of the Guild, duly signed by the Master and Clerk.
- You can attend the ceremony quietly on your own or with family and friends.

Currently 173 Freemen are also Free of the City.

Finance Committee Report

by Joseph King, Chairman

As previously notified, the Board of HM Revenue and Customs has now designated the Guild as an Approved Body under Section 344 ITEPA 2003 with effect from the 6th April 2005. Inspectors of Taxes will recognise an annual subscription paid to the Guild after the 6th April 2005 as a deduction from current-year employment earnings as long as it is related to employment (including self-employment). The relief is not given for donations or fines or if your subscription

is borne by your employer (unless treated as earnings). A separate scheme, Gift Aid, applies to donations in the UK. Approved bodies are shown in List 3 that was due to be updated in 2006 (see www.inlandrevenue.gov.uk/list3/index/htm). For further information, please speak to your tax advisor or contact Kim Webster at the Guild Office.

Guild and Trust Accounts for the year to 30th June 2006

Summaries of the accounts as presented to the Court on 20th September are provided below:

The Guild of International Bankers (GBP)		
Income and Expenditure for year to 30th June	2006	2005
Quarterage and fines	117,275	112,076
Events income (net)	13,993	18,504
Administrative expenses	(123,067)	(121,695)
Operating surplus	8,201	8,885
Other income (1)	5,323	7,276
Taxation	(28)	0
Ordinary surplus	13,496	16,161
Appropriation to Trust	(2,500)	(5,904)
Surplus brought forward	163,377	153,120
Surplus carried forward	174,373	163,377

Note 1. Includes donated assets of GBP 1,440 in 2006 (2,750 in 2005)

The Guild of International Bankers (GBP)		
Balance Sheet at 30th June	2006	2005
Fixed assets (2)	143,619	144,333
Current assets	89,886	71,393
Creditors	59,132	52,349
Net current assets	30,754	19,044
Net assets and reserves	174,373	163,377

Note 2. Includes regalia of GBP 1,905 acquired in 2006 (45,462 in 2005)

The International Bankers Charitable Trust (GBP)		
Resources received and expended for year to 30th June	2006	2005
Donations including receivable (3)	112,179	123,001
Taxes recoverable	14,685	13,431
Events income	0	1,020
Investment income	24,788	20,347
Incoming resources	151,652	157,799
Governance and other costs	5,849	6,421
Charitable expenditure	53,982	50,651
Net funds movement	91,821	104,922
Funds brought forward	567,305	462,383
Funds carried forward (4)	659,126	567,305

Note 3. Includes GBP 4,970 to K C Wu Restricted Fund in 2006 (nil in 2005)

Note 4. Includes K C Wu Restricted Fund of GBP 113,206 for 2006 (110,458 for 2005)

The complete Reports and Accounts for the Guild and the Trust and the opinions thereon by Saffery Champness are available from the Clerk.

Committee Members: Richard Clarke, Martin Hall, Angus MacLennan, Alan Moore, James Tree, and Joseph King (Chairman)

Gaye's Events Diary

I really enjoyed my recce visit to CVHQRA (the Royal Artillery) at Woolwich, to discuss our forthcoming event. There was a lot of saluting and even if I was not the object of it I felt frightfully important! (The Jimmy Choos were a definite mistake, will I never learn to put comfort before vanity!)

David Kynaston, celebrated historian of the City of London, was our guest on 24th May at the City Club talking to Christopher Fildes. We were all captivated by the double act, they know so much about City history and its personalities which they peppered with amusing stories. David talked of the great City dynasties – the Barings, Schrodgers, Rothschilds and Warburgs, and intense rivalry between the latter two; the ‘clubby’ atmosphere that once existed in the City and its subsequent Americanisation. He is well known for his pen portraits and Nathan Rothschild seemed to win on heroes, although Siegmund Warburg came pretty close. I asked him later who he thought today’s heroes were – one of them was amongst the audience, I am not saying who! I enjoyed the aside about the Barings when going to the Bank of England at the time of the Baring collapse were told politely they *“really could not keep coming back every hundred years!”* I think we could all have listened for hours as the City past and future unfolded before us – a thoroughly enjoyable evening.

The Central Volunteer Headquarters Royal Artillery at Woolwich is a stunning place.

The Guild has a military affiliation with the Royal Regiment of Artillery and we spent the evening there on 14th June.



As an aside, I realise that the dress allowance and car and chauffeur (with peaked cap) is a completely boring subject and my mistake was, of course, that the request was far too modest and the Finance Director would never consider anything so paltry! I am now going to behave like a celebrity and approach Dior or maybe Roberto Cavalli to see if they could loan me a gown – something like the green frock he designed for Posh at that footballers’ party might look quite nice! And consider the company I mix with at events, I mean they will get loads of orders!

The surroundings at Woolwich are magnificent and the graceful Georgian façade still remains. The Officers Mess is arguably the finest in Europe – as I do not often get invited to this sort of place, I am in no position to comment – it certainly is spectacular. We were made to feel very welcome and privileged to see some of the silver and art on display which obviously includes a few spoils of war and why not. There is a wonderful Coptic cross that apparently Hailie Selassie on a visit commented he thought it belonged to him! – one can

imagine the shuffling of feet. Ever graceful he allowed it to remain. We dined off highly polished tables with more silver and a band playing. Everyone was terribly impressed with the surroundings and I think it was a winner.

The KC Wu Lecture on 23rd June was the last. In future a donation will be made to a school in Beijing as a lasting tribute to KC. The Lecture was delivered by Sir Christopher Hum a past British Ambassador to China – known in China as Ho Hum! I enjoyed his Lecture. It was a really well informed assessment of China as only diplomats can do – tactful! He talked about the challenges China faced of economic and social development and the emergence of China as a world force which was unstoppable. I could just hear some of the slogans of China’s current five year plan – ‘a new socialist countryside’ and ‘building an innovative State’ tripping off the lips of someone in the current Government in Britain! Sir Christopher concluded by saying he thought there was a huge opportunity for the UK and City of London to engage in the rise of China to the benefit of all.

Our summer programme ended with a concert at the Bank of England on 5th July.

The Guildhall School of Music produced a wonderful concert from opera to Broadway. The conference centre which normally provides a forum for serious debate on monetary policy echoed to the sound of Mozart, Strauss and Britten – it was in fact the first time a concert had ever been held there. Njabulo Madlala who sang a Puccini aria had quite a fan club at the end of the evening!



After the concert we all went to the Museum for a reception and had a go at lifting the gold bar – it is still there! (I decided not to ask if that was the only one left!).

The Autumn Season began with our Court Installation Dinner at Vintners’ Hall on 20th September.

My plot to behave like a celebrity does not seem to be working. The head designer at Dior and Roberto Cavalli were out when I telephoned and for some inexplicable reason did

not call back! I may have to re-think this. In fact I should have run a sweepstake on the secret guest speaker, it would have paid for the dress!

The Installation Court Dinner is a jolly occasion for members only. A number did their Freedom of the Guild Ceremony and others became Liverymen of the Guild. Watching them in their gowns filing in to make their declarations I felt it was reminiscent of a trip to the Headmaster's study! The guest speaker was Sir John Major who more than lived up to his reputation as an excellent speaker – and he is exceedingly charming! He made a wonderful dig at a particular world leader saying many people preferred strong leadership even if it marched off in the wrong direction, and I rather enjoyed his comment that he had found the Russians more trustworthy than some of his own colleagues! I completely agreed with his appeal for pragmatism but that it should not be without conviction, and his concern about ideology. In fact I agreed with everything he said! He concluded by commenting on the importance of the banking industry in deciding which

countries should develop. At the end of the evening the Master presented him with honorary membership of the Guild - a very worthy recipient. Sir Peter Middleton was then installed as the new Master of the Guild.



The Installation Court Meeting
September 2006





New Freemen of the Guild



New Liverymen of the Guild



The Master, Sir John Major (Principal Guest) guests, Wardens and Court Assistants



Sir John addresses the Guild



The Master presents Sir John with his Honorary Membership Certificate



The Master gives his valedictory speech to the Guild, before being appointed as Immediate Past Master

Hedge Funds have always been a mystery to me so I thought I should attend the joint event with the Chartered Alternative Investment Analysts on 12th October when Dr Nassim Taleb – a leading authority on hedge funds would be speaking. He has apparently written a best seller which has been translated into 17 languages – clearly it has passed me by! There was a lot of psycho analysis in relation to risk, failure, success, greed and other human traits but I think he meant do not rely on your intuition when making decisions using financial markets data. Not sure I am any the wiser on hedge funds!

Looking forward:

- There will be a private evening at the Queen’s Gallery, Buckingham Palace on **26th October** to view Watercolours and Drawings from the Collection of Queen Elizabeth The Queen Mother. I love these evenings at the Gallery when you can wander at leisure, and I can never resist the Gift shop!

- On **11th November** the Guild will be participating in the Lord Mayor’s show. A float will be provided by the Royal Artillery at Woolwich and some Guild members will be able to walk alongside.
- The Guild’s Annual Banquet is on **5th February 2007** when the guest speaker will be Michael Grade CBE, Chairman BBC.
- The Right Revd and Rt Hon Richard Chartres, the Bishop of London will be the guest speaker at a Guild Dinner on **6th March 2007**.

I am, however, locking up my diary for a few weeks as I am off on a trip to Easter Island and New Zealand. Could Easter Island be the next international financial centre?! – watch this space!

Gaye

Progression to Liverymen – Update

One of the most frequently asked questions is: “How do I become a Liveryman?” The answer is as follows:

Members are not allowed to progress to Liveryman until they have been full members of the Guild for a minimum of two years and have obtained the Freedom of the Guild and Freedom of the City of London (usually in that order - see below). When these conditions have been met, the Clerk will then write to the member concerned, inviting him/her to submit a formal application to the Master. Upon receipt of the letter, the member will then be invited to meet the Livery Admissions Committee, composed of a Warden and two members of the Court, which meets four to six times per annum. Following the meeting, the Committee will submit its findings to the Court for ratification. When the Court has reached a decision, members will receive a letter of

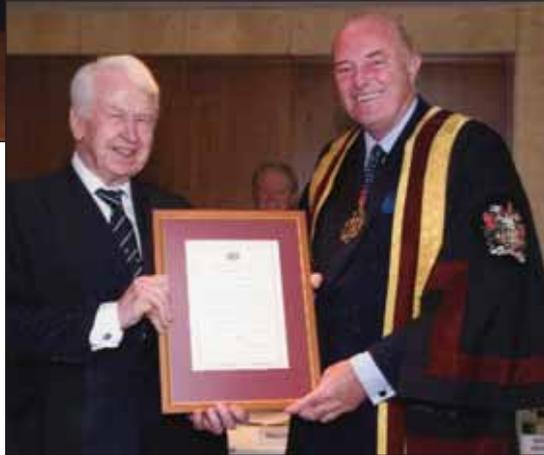
confirmation of their Liveryman status from the Warden. The Clerk will then notify the member of the date of the Livery Ceremony, which is conducted before the Court. The Ceremony involves Liverymen being gowned, making a Declaration and then receiving a framed Livery Certificate from the Master.

To date, the Guild has only 81 Liverymen, from an allocation by the Chamberlain’s Court of 300. It is essential that we are seen to be taking an active part in the City and upholding the traditions of the Livery Companies, so please take the necessary steps to advance to Liveryman. The Guild Liverymen are as follows:

Henry Angest	Jill Enzmann	Christopher Jolly	Alan Moore	Dr Alessandro Roselli
Stuart Barnett	Robert Fenner	Anthony Joyce	Frank Moxon	Sidney Celia Ross
John Bennett	Robin Fox	Keith Kanaga	Sir Paul Newall	John Scott
Christopher Bond	Mark Garvin	Philip Keevil	Oliver Page	Mark Sismey-Durrant
Pascal Boris	Lord George	John Kibble	Keith Palmer	Robert T Smith
Paul Borrett	Kenneth Gibbs	Joseph King	Ian Peacock	Dr Catherine Smith-Mason
Peter Capel	Roger Gifford	Michael Kirkwood	Humphrey Percy	Colin Stevens
Peter Chapman	Andrew Hall	Oscar Lewisohn	Alan Philpott	Jean Stevenson
Edward Charlton	Martin Hall	Stephen Lockley	Philip Pickard	Eric Stobart
Richard Clarke	Count Greger Hamilton	Angus MacLennan	Sir Brian Pitman	Bernard Strange
Leslie Collett	Sean Hanafin	David Massie	David Potter	John Tattersall
George Copus	Oliver Hemsley	Michael McKee	Sir William Purves	James Tree
Clifford Dammers	Simon Hills	Tamara Menteshvili	Anthony Rhodes	Paul Tuckwell
Peter Derrick	Stanley Hurn	Sir Peter Middleton	Jennifer Richards	Derek Tullett
Martin Edwards	Bernard Hutchins	Pillipa Mitchell	Mark Robson	Lord Walker of Worcester
Christopher Weller	John White	William Whitehead	Robert Wigley	Michael Wilks
Marianne Woods				



Lord Walker of Worcester receives his Livery Certificate from the Master



Liveryman Ceremony held at the Election Court in July

Liveryman – Explanatory Notes

What is a Liveryman?

In medieval times the term 'livery' referred to clothing, food and drink provided to the officers and retainers of great households, such as those of barons, bishops, colleges and guilds. The real significance of the use of a livery did not come about until the 14th century, an era when private armies were common. These wore private uniforms called liveries and the use of the term to cover food and drink was restricted to livery stables. In London, the guilds took to wearing distinctive clothing and badges, which became symbols of privilege and protection and were worn by guild members to distinguish between each other. The grant and control of these was regulated by the Court of Aldermen. Gradually, the term livery company came into specific use as applied to those guilds that were incorporated into the City constitution.

What are the duties and privileges of a Liveryman?

Initially, municipal authority had rested with the Lord Mayor and his Aldermen (elder men, one from each of London's 28 wards) but by 1285, a second level of authority that came to be known as 'common councilmen' (citizens elected from each ward to 'counsel' the Aldermen on 'common' affairs of the City). Eventually the responsibilities (and thus authority) of the Common Council became greater than that of the Aldermen, and the Court of Common Council more powerful in many ways than the Court of Aldermen. Those eligible to vote for, or be elected to, the Court of Common Council are not required to be liverymen.

Liverymen of at least one year's standing form a special electorate known as Common Hall. In London it is still the prerogative of liverymen alone to elect the Sheriffs and to submit two candidates for the office of Lord Mayor. It is a Liveryman's right and duty to attend and vote at the elections of the Sheriffs on Midsummer Day (24 June) and at the election of the Lord Mayor on Michaelmas Day (29 September). When these days fall on a Saturday or Sunday, the elections are usually held on the following Monday. Any Liveryman can stand for the post of Sheriff of the City of London. Liverymen are also strongly represented in the numerous committees and sub-committees of the Corporation of London, concerned with education, charity, the community, events, ceremonies and the arts.

Being Freemen of the City of London, Liverymen enjoy all of the privileges attaching to the Freedom. Election to the Livery carries with it the right to apply for membership of the City Livery Club, an excellent place to relax and meet members of other Livery Companies. Membership of a Ward Club is an excellent way to meet additional people who have influence over the way the City is run, and to initiate a personal engagement in the Corporate processes. Each ward also elects an Alderman who has jurisdiction over the Ward and who attends the Court of Aldermen. The Aldermen automatically become Justices of the Peace for the City of London and serve as governors and trustees of a variety of schools, hospitals and charitable organisations.

The City Livery Companies

As part of our continuing efforts to inform you of the roles of the Livery Companies and their links with the City of London, we intend to include in this and future Newsletters, articles which you may find of interest. With the kind permission of the City of London Public Relations Office, reproduced below is the first part of a series on the City Livery Companies.



BUCKINGHAM PALACE

HRH The Princess Royal

The fascinating history of livery companies reaches back many centuries. Livery companies have their roots in the medieval trades and crafts and yet, with their ability to grow and adapt to meet new needs, their work is as relevant today as ever.

Livery companies continue to do what they have done for most of their history. They support, and in some cases still regulate, their trades. They help to educate and train young people and they spend the income of which they are trustees to help people all over the world. As a liveryman myself, I have had the privilege of seeing this work firsthand.

Individual companies vary significantly in their age, beginnings, size, wealth and approach to the modern world. Some have origins which date back to the twelfth or thirteenth centuries, whilst others have been founded in the past twenty years. Some are still active in their original trades, others less so or not at all. Some are wealthy, most are not. Some have names that most people may not easily recognise: Loriners, Paviers, Cordwainers and Curriers. Others have more contemporary titles such as Information Technologists and Management Consultants.

Within this diversity livery companies are bound together by their timeless ethos which has, at its core, fellowship, welfare, education, supporting trade and at all times working in the best interests of the communities in which they operate.

It is testimony to the enduring value of these common objectives and to the ability of those who have guided livery companies in recent times that new livery companies have continued to be established at a steady rate. Indeed, since 1932, when the Honourable Company of Master Mariners, one of the companies of which I currently have the honour to be Master, received its grant of livery, 29 new companies have been granted livery status and more will, I know, be established in years to come.

This introduction to the livery companies of London gives a real flavour of their rich heritage and demonstrates how that supports their role today.

Tallow Chandlers' Grant of Arms



The history

Origins

Whilst their origins are ancient, the underlying purpose and the driving forces that have sustained livery companies for so many centuries are timeless. The nature of the companies gives them huge flexibility, diversity and capacity for innovation. Their work today is as relevant to the good health of the City as it has always been. Their principles – energy and purpose through shared philosophies, integrity through shared values and excellence through shared example – characterised their earliest activities and will continue to define their role in times yet to come.

The livery companies probably had their origins in this country before 1066 and are similar to the fraternities and guilds (or mysteries) that flourished throughout Europe for many centuries. The term “mystery” is still in use and derives from the Latin “misterium” meaning “professional skill”. The development of guilds and their continuing existence was not confined to London. Many major cities throughout Britain had craft guilds, some of which still exist, including the Cutlers of Hallamshire in Sheffield, the Merchant Venturers of Bristol, and the Fellmongers of Richmond in Yorkshire. Both Scotland and Ireland have a strong guild tradition which is still very active, while similar guilds also exist in many countries in continental Europe, where Switzerland, France and Germany have particularly strong and active guild organisations. Their functions vary considerably but are all based on trade, craft and professional support.

To this day in the City of London names such as Milk Street, Bread Street, Ironmonger Lane, Poultry, Cloth Fair and Mason’s Avenue mark the sites where it all began. People following the same craft or trade tended to live and work near each other and they began to make informal arrangements amongst themselves for regulating competition and keeping professional standards high for mutual benefit. The earliest reliable historical record in England is probably the Royal Charter granted to the Weavers’ Company in 1155. By this time it is believed that many guilds were already organised and active in the support and regulation of their trade or craft.

Members paid to belong and the word guild derives from the Saxon “gildan”, meaning “to pay”. To a greater or lesser extent, these early guilds controlled the provision of services and manufacture and selling of goods and food in the City of London. This prevented unlimited competition and helped to keep wages and working conditions steady in extremely unstable times. The guilds protected their customers, employers and employees by checking for inferior work that did not meet their standards, was of bad quality or underweight. The 13 loaves of the “Baker’s Dozen” originated in these early days of strict regulations. Fines and other penalties for selling bad food or shoddy goods could be severe, culminating in expulsion and so the loss of livelihood. Trade and domestic disputes were settled by arbitration at their halls, which also served as a meeting place for their trade.

The welfare of members, both spiritual and material, has always been a major concern for the guilds. Members received help in sickness and in many cases almshouses were established.

There was also a strong religious connection, with each guild having a Patron Saint and a link with a church or monastery, where regular guild services would be held and prayers said for departed members. Funerals were particularly important occasions, attended by all members of the company, when the coffin would be covered by fine cloths, a few of which are preserved to this day. The Fishmongers, Saddlers, Pewterers, Brewers, Girdlers, Parish Clerks, Vintners and Merchant Taylors each have an excellent example.

In medieval times “livery” was the term used for the clothing, food and drink provided to the officers and retainers of great households, such as those of barons, bishops, colleges or guilds. The term became restricted to the distinctive clothing and badges which were symbols of privilege and protection. Since the members of each guild were distinguished from other people in this way, the guilds gradually became known as livery companies and also denoted a strong link with the City of London. It is still the custom to wear ceremonial dress on official occasions.

Apprentice and freeman

The usual entry to trade and craft guilds was by apprenticeship. Apprentices would be indentured to serve their master, a member of the guild or livery, normally for a period of seven years, in order to learn their trade. During this time apprentices were often required to live under a strict set of rules within their master’s household. At the end of the apprenticeship they claimed their freedom, which entitled them to serve under any master, or to set up on their own.

For centuries the privilege of the freedom was eagerly sought by all who wished to prosper in the City of London. Before the 19th century it was an essential pre-requisite for everyone who wanted to keep a shop or exercise a trade or craft within the City. The freedom brought the holder many advantages including immunity from tolls at markets and fairs throughout England, freedom from impressment into the armed forces by press gangs and the right to vote at ward and parliamentary elections. In other words, a non-freeman had no trading rights and no voice in the government of the City.

The first sign of a qualification for the freedom occurs between 1175 and 1180 and by 1274/75 there was a register in which the names of apprentices and those who had purchased the freedom were recorded. The records held by the Chamberlain of London are virtually complete from 1681.

The whole municipal structure of London was built on the status of the freeman, and to this day freedom is still a necessary qualification for the holding of civic City office, such as Lord Mayor, Alderman, Sheriff or Common Councilman, and the freedom of the City remains a pre-requisite for admission to the livery of a company.

Organisation and traditions

Whilst each guild could organise itself in its own way, using different titles and language, the general structure was common to most. Each was usually regulated by a governing body, which evolved into the Court composed of a Master (in some companies, in others of a Prime Warden,

Upper Warden or Upper Bailiff), usually elected for one or two years at a time, one to four Wardens, from whom the Master would normally be elected, and a number of Assistants, including Past Masters as permanent members. In addition, each company would have a Clerk to keep the records and organise meetings, and a Beadle who assisted the Clerk, led processions, and acted as a type of constable.

Today, members of livery companies are either liverymen, or freemen who may have the opportunity to be admitted to the livery of their company in due course.

Gradually many of the companies acquired a permanent meeting place, known as halls. Some of the halls around the time of the Reformation seem to have been the mansions of wealthy citizens, which had been bequeathed to their companies. Many halls have suffered or disappeared through disasters such as the Great Fire of 1666 or the two World Wars, while some were let to the Church or sold when money was short. Many have been rebuilt, but most companies without halls now use other company halls or similar premises.

The importance of the remaining halls lies not only in their architecture and treasures, but also in the pageant of history they reflect. Most companies have, over the centuries, received beautifully illustrated grants of arms, charters, letters patent, deeds and ordinances, some of which may be seen either in their halls, or in the manuscript section of the City's Guildhall Library.

Most of the ancient companies acquired royal charters and many have more than one. The early charters provided royal recognition of the existence of particular guilds, gave them control over their own craft and empowered them to own property. The earliest charters seem to be those granted in the 12th century. A company today wishing to apply "to Her Majesty in Council for a Charter of Incorporation" must first obtain the approval of the Court of Aldermen.

Growth, decline and rebirth

For many centuries, from Norman times onwards, the guilds flourished. Some of their members became very wealthy and their power and prestige helped the City of London to retain a degree of independence from the Crown and the Royal Court. By the early 17th century the guilds had reached the height of their development and wealth. As exploration made the world larger, many of them invested money in setting up the Merchant Venturer Companies, which sought exclusive rights of trade with different parts of the world. The most famous of these was the East India Company whose power lasted until well into the 19th century. There were also the Russia Company, the Africa Company and the Levant Company, whilst the Virginia Company was responsible for much of the early settlement and investment in what is now the State of Virginia.

Decline, however, was imminent. On the whole, the guilds' powers were restricted to the City itself. As suburbs sprang up outside the City walls, tradesmen and craftsmen who were not guild members began to practise there, undercutting those who were controlled by City laws and the regulations of the livery companies. The City had opportunities to govern activities in these suburbs, but it took a pivotal decision not to be generally responsible for them. This did not however affect all companies, some of which continue to this day to regulate their trades outside the City.

Another cause of decline was the constant extortion of money from the livery companies by the Tudor and Stuart monarchs. Religious and political upheavals meant incessant war, intrigue and the need for finance, and the Stuarts in particular were adept at calling in companies' charters and selling them new ones for large sums. To this day, many companies operate under charters dating from this period.

When Charles I failed to persuade Parliament to vote him enough money to maintain his position over it, he tried to coerce the City into providing very large sums. This continued until 1640, when the City companies finally refused to aid the King further and so eventually helped Parliament to win the Civil War.

Later, in the 18th century, companies suffered further hardships. Many companies faced the threat of insolvency and had to sell their treasures. Royal demands had impoverished some, fewer people were seeking the freedom of companies as the drift from the City continued, rents were static and rebuilding after the Great Fire of 1666 was costly. Until rentals and other income increased again towards the end of the 18th century, many companies were moribund, some trades and crafts moved out of London and some simply ceased to exist.

The 18th and 19th centuries brought the Industrial Revolution, political and religious reform, the extension of the franchise, the development of new trades and the transformation of old ones, social upheaval and the growth of the professional and middle classes. All these put pressure on livery companies to change. There were several assaults on their privileges and wealth, culminating in a Royal Commission of Enquiry in 1880. Its four year investigation vindicated the companies' stewardship of their charitable funds and their role in helping to contribute to "education, social science and human progress" but also recommended reform. Livery companies realised that the Middle Ages had indeed gone and that, if they were to survive, they would have to embrace the modern world and its "altered circumstances and necessities", as a radical MP put it. This led to many of the companies renewing contact with their former trades and crafts. The wheel had come full circle.

For most of them the old power and responsibilities had gone, but, in harmony with the political climate of the day, they found new ways of contributing to the support of trade and industry and the training of young people to work in them. Starting in the 1870s, companies began to provide increasing support for technical and other education, and this involvement continues to this day.

The efforts at revival were so successful that several formerly moribund companies, such as the Paviers and Farriers, had life breathed into them once more. Early in the 20th century the idea of new trades or professions coming together in a new livery company again began to offer advantages, after a lapse of centuries. Two were formed before World War II, and since 1945, 28 new companies have been established – and there are always more waiting to achieve company status.

Tradition and heritage still have an important role within the livery companies



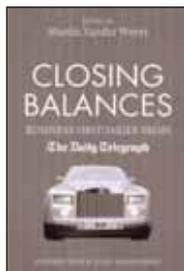
The members of a company were typically of four classes –

- Apprentices – normally serving a seven year apprenticeship
- Journeymen (sometimes yeomen) – craftsmen who had served their apprenticeship but still had to obtain the freedom of the City of London, and thus certified to be responsible citizens, before they could work at their trade
- Freemen – those who had obtained the freedom of the City but were not yet full liverymen of their company
- Liverymen – those who had set up in business on their own, were freemen of the City, had been admitted as full members of the company and could eventually become members of the Court

Items of Interest

The Daily Telegraph's trademark obituary style, created by Hugh Massingberd, is distinguished by the quality of the writing, the humour and the care taken to portray each subject 'in the round', paying due attention to personal foibles as well as public achievements. This new collection, the first to be devoted to the business world, is divided into nine sections, each concentrating on a particular group such as 'City Chaps', 'Entrepreneurs', 'Monsters, Mavericks and Rogues', or 'Gurus'. In all, some 100 individuals who died over the past 20 years are covered. Most of them were British, but also included are international figures such as Akio Morita, the founder of Sony, or Giovanni Agnelli of Fiat.

Closing Balances: Business Obituaries from The Daily Telegraph edited by Martin Vander Weyer is published by Aurum Press priced £16.99.



The City Livery Yacht Club

Membership is exclusively for members of Livery Companies and the Guild of Freeman and includes:

- Sailing and sporting events throughout the year (seven major annual events)
- The opportunity to socialise and meet like-minded boat enthusiasts
- Access to a dedicated support network
- Use of Little Ship Club dining and bar facilities
- The opportunity to fly the Club's Defaced Blue Ensign and Burgee from your boat

The annual membership fee is £25 plus an initial joining fee of £25. If you are interested in joining, please contact the Hon Secretary at:

10 Phillips Close, Maidenbower, Crawley RH10 7NP
Tel 08700 664232 Email jw@clyc.co.uk

Golf Society News

Golf events for 2006 concluded with a wonderful day at Swinley Forest. As happened in 2005, we were full on numbers and the weather was perfect. Despite there having been a great deal of rainfall in the days immediately before, the course was magnificent – it really is a pleasure to play there each year. We played our traditional format with a singles round in the morning and a 13 hole greensome after lunch.

Winners on the day were:

De la Barre		
Trophy winner	Robbie Kerr	35 points
2nd	Christian Klein	34 points
3rd	Ken Baugh	34 points
Guest winner	Roger Hamilton-Brown	41 points
Korts Spoon winner	Tony Tucker	33 points

The nearest pin prize was won by Roger Hunt.

The afternoon greensome winners were Michael Bowles and his guest Adrian Carpenter with 33 points.

The formalities concluded with the presentation of the Mallory Trophy to Michael Bowles (awarded to the highest member score in our 3 events) for his 39 points score at Walton Heath. Well done to all our winners and we look forward to seeing everyone at next year's golf days. For your diaries these are:

Walton Heath Golf Club (AGM followed by lunch and 18 holes)	20th March
New Zealand Club (Spring meeting: singles and greensome)	2nd May
Swinley Forest Golf Club (Autumn meeting: -----“-----)	2nd October

Clerk's Notes

One of the many bonuses about being in our new office is that we now have a spare desk. If you are in the City on a visit or in the area and would like to read through your papers or just have a break between meetings, you will be most welcome. Please give me a call so that I can inform reception of your arrival. If your name has not appeared in the Members Handbook and you would like it to be inserted in the next edition, please confirm by email.

The Swinley Forest meeting was Peter Chapman's last event as Captain of our Society. He has steered us successfully through the creation of the Guild Golf Society (which followed as a successor to what had been the longstanding Bankers Club Golf Society) and he leaves it in very good health both in terms of membership numbers and the camaraderie of everyone who attends. Thank you Peter. We hope to see as many members as possible at our events next year when Cliff Knowlden will be your new Captain. Numbers are always high at Swinley Forest, and it would be good if we could get similar attendance levels at Walton Heath and The New Zealand Club, which are also superb venues. All Golf events are open for members to invite up to two guests.



Robbie Kerr with de la Barre trophy presented by Peter Chapman



Michael Bowles with Mallory Trophy