



## Board of Governors of the City of London Freemen's School

**Date:** TUESDAY, 7 OCTOBER 2014

**Time:** 11.00 am

**Venue:** CITY OF LONDON FREEMEN'S SCHOOL, ASHTEAD PARK, SURREY,  
KT21 1ET

**Members:** Stuart Fraser (Chairman)  
Roger Chadwick (Deputy Chairman)  
Deputy John Bennett  
Michael Bramwell (External Member)  
Brian Harris  
Alderman Peter Hewitt  
Michael Hudson  
Vivienne Littlechild  
Sir Clive Martin (External Member)  
Andrew McMillan (External Member)  
Douglas Mobsby (External Member)  
Hugh Morris  
Graham Packham  
Alderman Dr Andrew Parmley  
Judith Pleasance  
Elizabeth Rogula  
Deputy Dr Giles Shilson (Ex-Officio Member)  
Sir Michael Snyder (Ex-Officio Member)  
Councillor Chris Townsend (Ex-Officio Member)  
Philip Woodhouse  
Gillian Yarrow (External Member)

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# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 26 June 2014.  
**For Decision**  
(Pages 1 - 6)
4. **REVENUE OUTTURN 2013/14**  
Joint report of the Chamberlain and the Headmaster, City of London Freeman's School.  
**For Information**  
(Pages 7 - 18)
5. **CHARITIES ADMINISTERED IN CONNECTION WITH (ICW) THE CITY OF LONDON FREEMEN'S SCHOOL - 2013/14 - REPORT AND FINANCIAL STATEMENTS**  
Report of the Chamberlain.  
**For Decision**  
(Pages 19 - 36)
6. **CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND - 2013/14 REPORT AND FINANCIAL STATEMENTS**  
Report of the Chamberlain.  
**For Decision**  
(Pages 37 - 54)
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
9. **EXCLUSION OF THE PUBLIC**  
MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.  
**For Decision**

## Part 2 - Non-Public Agenda

10. **NON-PUBLIC MINUTES**  
To agree the non-public minutes of the meeting held on 26 June 2014.  
**For Decision**  
(Pages 55 - 60)
11. **MASTERPLAN PHASE 1 UPDATE**  
City Surveyor to be heard.  
**For Information**
12. **MASTERPLAN PHASE 2 (MAIN HOUSE AND SWIMMING POOL)**  
A presentation by Hawkins Brown Architects.  
**For Information**
13. **SERVICE BASED REVIEW PROPOSALS - CITY OF LONDON FREEMEN'S SCHOOL**  
Joint report of the Chamberlain and Headmaster of the City of London Freeman's School.  
**For Decision**  
(Pages 61 - 66)
14. **HEADMASTER'S REPORT**  
Report of the Headmaster of the City of London Freeman's School  
  
Appendix 1 – School Roll  
Appendix 2 – Survey of CLFS U5 leavers 2014  
Appendix 3 – Examination Results 2014  
Appendix 4 – Teaching staff leavers 2007-2013  
Appendix 5 – Trips/Visits 2014/15  
**For Information**  
(Pages 67 - 88)
15. **HEAD OF JUNIOR SCHOOL REPORT**  
Report of the Head of the Junior School, City of London Freeman's School  
**For Information**  
(Pages 89 - 96)
16. **BURSAR'S REPORT**  
Report of the Headmaster, City of London Freeman's School.  
*(The Marketing Reports have been circulated separately).*  
**For Information**  
(Pages 97 - 106)
17. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**  
Report of the Town Clerk.  
**For Information**  
(Pages 107 - 110)

18. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
19. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

**Part 3 - Confidential Agenda**

20. **GOVERNORS' ONLY ITEM**

## **BOARD OF GOVERNORS OF THE CITY OF LONDON FREEMEN'S SCHOOL** **Thursday, 26 June 2014**

Minutes of the meeting of the Board of Governors of the City of London Freeman's School held at City of London Freeman's School, Ashted Park, Surrey, KT21 1ET on Thursday, 26 June 2014 at 11.00 am

### **Present**

#### **Members:**

Stuart Fraser (Chairman)	Andrew McMillan (Co-Opted Member)
Deputy John Bennett (Chief Commoner)	Douglas Mobsby (Co-Opted Member)
Michael Bramwell (Co-Opted Member)	Hugh Morris
Brian Harris	Elizabeth Rogula
Michael Hudson	Councillor Chris Townsend (Co-Opted Member)
Vivienne Littlechild	Philip Woodhouse
Sir Clive Martin (Co-Opted Member)	

#### **Officers:**

Philip MacDonald	- Headmaster, City of London Freeman's School
Sue Williams	- Bursar, City of London Freeman's School
Steve Telling	- Chief Accountant, Chamberlain's Department
Mark Lowman	- Assistant Director Major Projects, City Surveyor's Department
Roger Adams	- Senior Principal Surveyor, City Surveyor's Department

#### **1. APOLOGIES**

Apologies for absence were received from Mr Roger Chadwick, Alderman Hewitt, Mr Graham Packham, Alderman Parmley and Ms Judith Pleasance.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations of interest.

#### **3. ORDER OF THE COURT OF COMMON COUNCIL**

The Board received the Order of the Court of Common Council, 1 May 2014, appointing the Board of Governors of the City of London Freeman's School for 2014/15 and setting its terms of reference.

**RESOLVED** – That, the Board note the Order of the Court of Common Council.

#### **4. MINUTES**

The public minutes and summary of the last meeting held on 30 April 2014 were approved and agreed as an accurate record, subject to an amendment to

indicate Mr Michael Bramwell's attendance at the Board of Governors meeting on 30 April 2014.

5. **MINUTES OF THE FINANCE, GENERAL PURPOSE AND ESTATES SUB COMMITTEE**

The public minutes of the Finance, General Purpose and Estates Sub-Committee meeting held on 22 May 2014 were received.

6. **MINUTES OF THE ACADEMIC AND EDUCATION SUB COMMITTEE**

The public minutes of the Academic and Education Sub-Committee meeting held on 22 May 2014 were received.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**

There were no questions relating to the work of the Board.

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman agreed to hold the elections for the positions of Chairman and Deputy Chairman and the appointment of Governors to the Boards Sub-Committees under any other business.

Election of Chairman

The Board proceeded to elect a Chairman in accordance with Standing Order No. 29.

The Town Clerk read a list of those Governors eligible to stand and Stuart Fraser, being the only Governor expressing a willingness to serve as Chairman, was duly elected for the ensuing year and took the Chair.

Election of Deputy Chairman

Following the election for Chairman the Board proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30.

The Town Clerk read a list of those Governors eligible to stand and Roger Chadwick, being the only Governor expressing a willingness to serve as Deputy Chairman, was duly elected for the ensuing year.

Appointment of the Bursary Committee and Sub Committees

The Board proceeded to appoint their Bursary Committee, Academic and Education Sub-Committee and Finance, General Purpose and Estates Sub-Committee for 2014/15.

In accordance with Standing Order 27 1(a) the Board agreed to increase the number of Governors appointed to the Academic and Education Sub-Committee from; the Chairman, Deputy Chairman and a maximum of 5 Governors to the Chairman, Deputy Chairman and a maximum of 6 Governors, for the ensuing year.

**RESOLVED – That,**

- Stuart Fraser be elected Chairman for the ensuing year.
- Roger Chadwick be elected Deputy Chairman for the ensuing year.
- The Bursary Committee be appointed as follows;
  - Chairman
  - Deputy Chairman
  - Deputy John Bennett
  - Vivienne Littlechild
  - Douglas Mobsby (external Member)
  - Philip Woodhouse
- The Academic and Education Sub-Committee be appointed as follows;
  - Chairman
  - Deputy Chairman
  - Vivienne Littlechild
  - Brian Harris
  - Andrew Macmillan (external Member)
  - Sir Clive Martin (external Member)
  - Gillian Yarrow (external Member)
  - Councillor Chris Townsend (external Member)
- The Finance, General Purpose and Estates Sub-Committee be appointed as follows;
  - Chairman
  - Deputy Chairman
  - Vivienne Littlechild
  - Brian Harris (external Member)
  - Douglas Mobsby (external Member)
  - Judith Pleasance

9. **EXCLUSION OF THE PUBLIC**

**RESOLVED –** That, under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Section 12A of the Local Government Act.

<b>Item No.</b>	<b>Exemption Paragraph(s)</b>
10	1, 2 & 3
11	3
12	3
13	1 & 3
13a	1 & 3
13b	1 & 3
13c	1 & 3
13d	1 & 3
14	2 & 3
15	1, 2 & 3
15a	1, 2 & 3
15b	1, 2 & 3
15d	3
15e	3
16	1 & 2
17	3

10. **NON-PUBLIC MINUTES**  
The non-public minutes of the meeting held on 30 April 2014 were approved and agreed as an accurate record.
11. **NON PUBLIC MINUTES OF THE FINANCE, GENERAL PURPOSE AND ESTATES SUB COMMITTEE**  
The non-public minutes of the Finance, General Purpose and Estates Sub-Committee meeting on 22 May 2014 were received.
12. **NON PUBLIC MINUTES OF THE ACADEMIC AND EDUCATION SUB COMMITTEE**  
The non-public minutes of the Academic and Education Sub-Committee meeting on 22 May 2014 were received.
13. **BURSAR'S REPORT**  
The Board received a report of the Bursar of the City of London Freeman's School relative to various matters including arrears of fees, development, risk and health and safety.
14. **REVIEW OF ASSISTANCE FOR FOUNDATION BURSARIES**  
The Board considered a non-public report of the Chamberlain and the Headmaster of the City of London Freeman's School reviewing the level of assistance given to recipients of Foundation Bursaries.
15. **HEADMASTER'S REPORT**  
The Board received a report of the Headmaster of the City of London Freeman's School relative to various issues including the School Roll, staffing and recent and forthcoming events. The Headmaster's Report also contained the Annual Safeguarding Report for Governors and the Board approved the School's Safeguarding Policy, which had been updated in the light of new guidance.
16. **HEAD OF JUNIOR SCHOOL REPORT**  
The Board received a report of the Head of the City of London Freeman's Junior School providing Governors with an overview of events in the Junior School since the last Board meeting.
17. **CITY OF LONDON FREEMEN'S SCHOOL MASTERPLAN**  
The Board received a report of the Headmaster of the City of London Freeman's School and the City Surveyor outlining details of the City of London Freeman's School Masterplan.
18. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**  
There were no questions relating to the work of the Board.



19. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

The Chairman discussed the size of the agenda and what information should be included as additional supplements for review. The Board also discussed the safeguarding training provision for Governors.

**The meeting ended at 12.52 pm**

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Chairman

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# Agenda Item 4

<b>Committee(s):</b>	<b>Date(s):</b>
Board of Governors City of London Freemen's School	7 October 2014
<b>Subject:</b> Revenue Outturn 2013/14	<b>Public</b>
<b>Report of:</b> The Chamberlain The Headmaster (CLFS)	<b>For Information</b>

## Summary

Total net income for 2013/14 was £1,647,000 compared to a budgeted position of £1,410,000 - representing an increase in net income of £237,000 (16.8%). This better than budget position was mainly due to a reduction across various supplies and services expenditure headings, coupled with increases in income largely in relation to increased demand for facilities hire.

The 2002 school funding guidelines report recommended that the General Reserve balance should not exceed 5% of the original estimate of fee income, equating to £608,000 for 2013/14, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines the transfer to the Capital Reserve was £1,632,000.

Including this transfer, the full balance on the Capital Reserve of £6,153,057 was applied on 31 March 2014, as planned, towards the funding of Phase 1 of the Masterplan. An internal loan of £284,417 has been provided by the City for the balance of funding required at 31 March 2014.

## **Recommendations**

It is recommended that this revenue outturn report for 2013/14 is noted.

## Main Report

### **2013/14 Revenue Budget Position compared to Outturn**

1. Overall, net revenue income for 2013/14 was £1,647,000 compared to an agreed net income budget of £1,410,000, representing an increase in net income of £237,000. The table below provides a detailed comparison between the budget and outturn. Figures in brackets represent income, increases in income or reductions in expenditure.

<b>TABLE 1</b>			
<b>CITY OF LONDON FREEMEN'S SCHOOL</b>			
Analysis of Service Expenditure	Budget	Actual	Variation (Better)/ Worse
	2013/14 £'000	2013/14 £'000	2013/14 £'000
<b>EXPENDITURE</b>			
Employees	7,776	7,807	31
Premises Related Expenses (see note i)	1,566	1,543	(23)
Transport Related Expenses (see note ii)	79	72	(7)
Supplies & Services (see note iii)	1,974	1,834	(140)
Staff Subsidy	270	267	(3)
Headmaster's Scholarship Awards	3	0	(3)
Scholarship Subvention Awards	480	480	-
Match Funding Awards	29	27	(2)
Support Services (Annex A)	771	790	19
Capital Charges (Annex A)	1,412	1,412	-
<b>Total Expenditure</b>	<b>14,360</b>	<b>14,232</b>	<b>(128)</b>
<b>INCOME</b>			
School Meals and Tuck Shop	(384)	(384)	-
School tuition fees	(11,860)	(11,865)	(5)
Other tuition fees	(236)	(233)	3
Boarding fees	(459)	(454)	5
Registration and Examination fees	(149)	(145)	4
Other (see note iv)	(176)	(263)	(87)
Interest	(50)	(67)	(17)
City Support (Annex A)	(2,456)	(2,468)	(12)
<b>Total Income</b>	<b>(15,770)</b>	<b>(15,879)</b>	<b>(109)</b>
<b>TOTAL NET INCOME BEFORE TRANSFER TO CAPITAL RESERVE</b>	<b>(1,410)</b>	<b>(1,647)</b>	<b>(237)</b>
Transfer To Capital Reserve	1,395	1,632	237
<b>TOTAL NET EXPENDITURE/ (INCOME) AFTER TRANSFER TO CAPITAL RESERVE</b>	<b>(15)</b>	<b>(15)</b>	<b>-</b>
<b>BALANCE B/FWD 1 APRIL</b>	<b>(593)</b>	<b>(593)</b>	<b>-</b>
<b>BALANCE C/FWD 31 MARCH</b>	<b>(608)</b>	<b>(608)</b>	<b>-</b>

### Notes

- (i) Premises Related Expenses – includes energy costs, rates, water services, cleaning and domestic supplies and the contribution to the Repairs, Maintenance and Improvements Fund.
- (ii) Transport Related expenses include the contribution to the Vehicle Purchase/Replacement Fund.
- (iii) Supplies and Services – equipment, furniture, materials, books, uniforms, printing, stationary, professional fees, grants & subscriptions, advertising and the contribution to the Foundation Bursary Fund.
- (iv) Other income – hire of facilities, administration charges, freedom fees, and rent.

2. The 2002 school funding guidelines report recommended that the General Reserve balance should not exceed 5% of the original estimate of fee income, equating to £608,000 for 2013/14, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines the budget assumed a transfer to the Capital Reserve Fund of £1,395,000. However, due to the school benefiting from additional net income of £237,000 during the year, the transfer to the Capital Reserve was increased to £1,632,000.

Including this transfer, the full balance on the Capital Reserve of £6,153,057 was applied on 31 March 2014, as planned, towards the funding of Phase 1 of the Masterplan. An internal loan of £284,417 has been provided by the City for the balance of funding required at 31 March 2014.

3. The main reasons for the variations summarised in Table 1, resulting in additional net income of £237,000, were:-

A reduction in expenditure of £128,000 mainly due to:-

- i) lower than anticipated supplies and services expenditure of £140,000 including:
  - £56,000 from equipment, furniture and materials, including an underspend of £29,000 on Junior School play equipment that was not required as the grounds around the new Music School were not completed in time to purchase the equipment in the 2013/14 financial year; a number of smaller underspends totalling £22,000 across numerous departments as repairs and replacements were not required; and £5,000 on equipment maintenance and the hire of equipment due to the careful management of resources;
  - £27,000 from communications and computing following delays to the new Music School coupled with changes to hardware requirements, for example, the provision of innovative interactive whiteboards;
  - £24,000 from printing and stationery due to greater use of the School's website and a reduced requirement for paper based materials; and
  - £21,000 from books as a consequence of greater use of Information Technology as teaching methodologies change;
- ii) premises expenses being £23,000 below budget primarily as a result of lower fuel costs; partly offset by

- iii) an increase in employee expenses of £31,000 principally due to additional temporary staff costs of £14,000 to cover long-term sickness absence; the appointment of a new post as Personal Secretary to the Deputy Head from December 2013 at £10,000 (part year); and the replacement of the Senior School Secretary/Receptionist following a period of illness from January 2014 at £5,000 (part year).

Additional income of £109,000, the main elements of which were increased facilities hire of £66,000 primarily relating to lettings during the summer recess; an additional £6,000 from freedom fees for Foundation Bursaries, which is offset by a corresponding increase in the contribution to the Foundation Bursary Fund; £5,000 from Teachers of English to Speakers of Other Languages (TESOL) tuition following an increase in the number of overseas students taking English lessons; and increases in interest earnings and City of London Support of £17,000 and £12,000 respectively.

4. As requested by Governors, Annex C compares the budget and outturn with the brackets convention reversed to accord with the practice generally adopted in the private sector.

#### **Unrestricted, Designated and Restricted Funds**

5. A summary of unrestricted, designated and restricted funds showing the movements in 2013/14 is attached at Annex B. As planned, total funds have decreased - from £8,027,445 to £3,680,718.

The main reason for the reduction is the planned application of the full balance on the capital reserve towards the funding of Phase 1 of the Masterplan. This funding totalled £6,153,057 and comprised:

- the balance of £4,467,478 brought forward at 1 April 2014 (included within the £8,027,445 above);
- the £1,631,922 transferred to the reserve for the year; and
- interest earnings of £53,657.

An internal loan of £284,417 has been provided by the City for the balance of funding required for the Masterplan at 31 March 2014.

6. Two new funds were established during the year as follows:-
  - i) the Ashtead Park Swimming Club, which had an overdrawn balance of £552 as at 31 March 2014. This was set up prior to the Pool fire in January 2014 to establish a swimming club on-site in collaboration with Guildford Swimming Club, and

- ii) a Charitable Donations Fund, which had a balance of £9,226 as at 31 March 2014. This was established in order to collect monies raised by pupils for charity, and subsequently arrange for payments to be made to the specified charities.

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**SUPPORT SERVICES AND CAPITAL CHARGES**  
**AND**  
**CITY SUPPORT**

	<b>Budget</b>	<b>Actual</b>	<b>Variation Increase/ (Decrease)</b>
	<b>2013/14 £'000</b>	<b>2013/14 £'000</b>	<b>2013/14 £'000</b>
<b>Support Services and Capital Charges</b>			
Information Systems (IS)	137	145	8
Staff Insurance	48	51	3
Other Insurance	55	54	(1)
Chamberlain	213	213	-
Comptroller & City Solicitor	13	13	-
Town Clerk	112	112	-
City Surveyor	39	39	-
Miscellaneous - see note i	21	21	-
Corporate & Democratic Core (CDC)	44	47	3
City of London Procurement Service	24	24	-
City Surveyor's Employee Recharge	65	71	6
Capital Financing Costs	1,412	1,412	-
<b>TOTAL SUPPORT SERVICES AND CAPITAL CHARGES</b>	<b>2,183</b>	<b>2,202</b>	<b>19</b>

<b>City Support</b>			
<b>Scholarships</b>			
General - see note ii	(480)	(480)	-
2.5% Match Funding - see note iii	(29)	(27)	2
<b>Total Scholarships</b>	<b>(509)</b>	<b>(507)</b>	<b>2</b>
<b>Support Services and Capital Charges</b>			
Information Systems	(137)	(145)	(8)
Staff Insurance	(48)	(51)	(3)
Support Services	(466)	(469)	(3)
Capital Financing Costs	(1,387)	(1,387)	-
<b>Total Support Services and Capital Charges</b>	<b>(2,038)</b>	<b>(2,052)</b>	<b>(14)</b>
<b>Other</b>			
Listed Building Subvention	(47)	(47)	-
PP2P savings - see note iv	138	138	-
<b>Total Other</b>	<b>91</b>	<b>91</b>	<b>-</b>
<b>TOTAL CITY SUPPORT</b>	<b>(2,456)</b>	<b>(2,468)</b>	<b>(12)</b>



**SUPPORT SERVICES AND CAPITAL CHARGES**  
**AND**  
**CITY SUPPORT**

Notes:

- i) Various services including corporate training, corporate printing, occupational health, union costs and environmental and sustainability sections.
- ii) City's Cash finances the equivalent of 34 full fee scholarships per annum – 6 full fee equivalent (FFE) in the junior school, 2 FFE in years 7 and 8 and 26 FFE in the Senior School.
- iii) The funding guidelines, as agreed by Policy & Resources Committee on 19 September 2002, provided for the City to match fund external bursary funds raised from that date onwards up to a cap of 2.5% of tuition fee income.
- iv) As a result of new contracts procured by the City's PP2P Team, expenditure by City Schools should generally be reduced. However, as agreed by the Chief Officers' Group in January 2012, such savings are to benefit the City Corporation centrally to help achieve balanced revenue budgets on City's Cash over the medium term. In order to move these savings from the Schools to the centre, an adjustment has been made to the City's support to the Schools. This will leave the Schools in a neutral resource position as the reduction in costs from the PP2P savings will be offset by a reduction in income through the City's Support. Should a contract procured by the PP2P Team result in an increase in a School's costs then a compensatory increase will be made to the City's support to retain the neutrality principle.

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**City of London Freemen's School**  
**2013/14 Movement of Funds**

	Balance 1st April 2013	Interest	Income	Expenditure	Transfer Between Funds	Balance 31st March 2014
<b><u>Unrestricted</u></b>						
Revenue Surplus	(592,666)	(66,755)	(15,812,037)	13,725,596	-	(2,745,862)
Repairs & Maintenance	-	-	-	-	483,000	483,000
Vehicle Replacement	-	-	-	-	23,000	23,000
Capital Reserve Fund	-	-	-	-	1,631,922	1,631,922
	(592,666)	(66,755)	(15,812,037)	13,725,596	2,137,922	(607,940)
<b><u>Designated</u></b>						
Drama Refurbishment Fund	(596)	(7)	-	-	-	(603)
Music Refurbishment Fund	(7,375)	(87)	(2,530)	-	-	(9,992)
Foundation Scholars Fund	(58,795)	(531)	(51,366)	46,311	-	(64,381)
General Scholarship Fund	(173,305)	(2,011)	(480,000)	482,021	-	(173,295)
Repairs & Maintenance	(2,064,198)	(23,491)	-	444,223	(483,000)	(2,126,466)
I/T	(54)	-	-	-	-	(54)
Retirement	(68,659)	(796)	-	-	-	(69,455)
Vehicle Purchase/Replacement Fund	(7,863)	(122)	-	-	(23,000)	(30,985)
Junior School	(4,564)	(58)	(7,423)	8,433	-	(3,612)
Capital Reserve	(4,467,478)	(53,657)	-	6,153,057	(1,631,922)	-
Headmaster's Fund Raising	(1,289)	(15)	-	-	-	(1,304)
Projects/Events	(54,667)	(643)	-	-	-	(55,310)
School Committee Funds	(3,570)	(44)	(800)	-	-	(4,414)
CLFS Development Fund	(14,094)	(180)	(9,325)	12,017	-	(11,582)
School Fund	(9,814)	(100)	(3,000)	8,373	-	(4,541)
Ashtead Park Swimming Club	-	-	(2,893)	3,445	-	552
Charitable Donations	-	(4)	(9,222)	-	-	(9,226)
	(6,936,321)	(81,746)	(566,559)	7,157,880	(2,137,922)	(2,564,668)
<b><u>Restricted</u></b>						
Livery Match Funding	(161,135)	(1,763)	(26,793)	16,044	-	(173,647)
Livery scholarships & Prizes	(56,374)	-	(29,638)	32,498	-	(53,514)
	(217,509)	(1,763)	(56,431)	48,542	-	(227,161)
<b><u>Endowment</u></b>						
2-18 St Brides	(250,250)	-	-	-	-	(250,250)
Sale of land & property	(30,699)	-	-	-	-	(30,699)
	(280,949)	-	-	-	-	(280,949)
Totals	(8,027,445)	(150,264)	(16,435,027)	20,932,018	-	(3,680,718)

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**CITY OF LONDON FREEMEN'S SCHOOL**  
**COMPARISON OF 2013/14 REVENUE OUTTURN WITH BUDGET**

**Figures in brackets represent expenditure, increases in expenditure or reductions in income**

	Budget	Actual	Variance
	£000	£000	£000
<b>INCOME</b>			
Fees & Charges (Customer and Client Receipts)	13,088	13,081	(7)
Investment Income	50	67	17
Other Income	176	263	87
City Corporation Support	2,456	2,468	12
<b>Total Income</b>	<b>15,770</b>	<b>15,879</b>	<b>109</b>
<b>EXPENDITURE</b>			
Employee Expenses	(7,776)	(7,807)	(31)
Premises Related Expenses	(1,083)	(1,060)	23
Transport Related Expenses	(56)	(49)	7
Supplies and Services	(1,974)	(1,834)	140
Staff subsidy and scholarships	(782)	(774)	8
Support Services	(771)	(790)	(19)
Capital Charges	(1,412)	(1,412)	0
<b>Total Expenditure</b>	<b>(13,854)</b>	<b>(13,726)</b>	<b>128</b>
<b>TRANSFERS</b>			
Transfer to Repairs and Maintenance Fund	(483)	(483)	0
Transfer to Vehicle Replacement Fund	(23)	(23)	0
Transfer to the Capital Reserve	(1,395)	(1,632)	(237)
<b>Total Transfers</b>	<b>(1,901)</b>	<b>(2,138)</b>	<b>(237)</b>
<b>NET INCOME</b>	<b>15</b>	<b>15</b>	<b>0</b>

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<b>Committee(s):</b>	<b>Date(s):</b>
Board of Governors City of London Freemen's School	7 October 2014
<b>Subject:</b> Charities Administered in connection with (ICW) The City of London Freemen's School - 2013/14 Report and Financial Statements	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>

This report provides Governors with a copy of the 2013/14 Report and Financial Statements for the Charities Administered in connection with (ICW) The City of London Freemen's School (charity number: 312120), and to consider whether any cash should be invested in the City of London Charities Pool.

During the year ended 31 March 2014 total funds increased by £9,238 to £161,146 (2012/13: total funds increased by £13,291 to £151,908). This £9,238 comprised the following:-

- i) voluntary income of £6,245 (2012/13: £6,410);
- ii) a net gain on investments of £6,130 (2012/13: a net gain of £10,409);
- iii) investment income of £4,275 (2012/13: £3,922); offset by
- iv) expenditure of £7,412 (2012/13: £7,450) relating to 247 book prizes (2012/13: 257 book prizes).

The cash balance held as at 31 March 2014 was £71,394 (2012/13: £68,286), and expenditure from this fund over the previous three years has averaged £7,361 per annum. Therefore, to provide an opportunity to earn potentially higher returns than interest on cash balances (1.16% for 2013/14 and estimated to be 0.75% in the current year), Governors are requested to consider investing part of this cash in the City of London Charities Pool.

The investments in the Charities Pool are managed by Artemis Investment Management Limited and in the year ended 31 December 2013 achieved a total return of 24.2% (31 December 2012: 13.3%), which was a relative outperformance of 6.9% (31 December 2012: 1.6%) compared to its benchmark, the WM Unconstrained Charity Universe. A total of 30.5p (3.9%) per unit was distributed during the year (2012/13: 23.6p (3.3%)).

### **Recommendations**

It is recommended that Members receive the annual report and financial statements for information and consider whether to invest part of the cash balance in the City of London Charities Pool.

Contact:

Steve Telling, Chief Accountant

[steve.telling@cityoflondon.gov.uk](mailto:steve.telling@cityoflondon.gov.uk)



***CHARITIES ADMINISTERED IN CONNECTION WITH (ICW)  
THE CITY OF LONDON FREEMEN'S SCHOOL***

***REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014***

**Charity Number: 312120**

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report and Financial Statements  
for the year ended 31 March 2014**

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**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report for the year ended 31 March 2014**

**1. Reference and Administration Details**

Charity Name	Charities Administered ICW the City of London Freemen's School
Registered Charity Number:	312120
Principal Address:	Guildhall, London EC2P 2EJ
Trustee:	The City Of London Corporation
Chief Executive:	The Town Clerk of the City of London Corporation
Treasurer:	The Chamberlain of London
Solicitor:	The Comptroller and City Solicitor
Banker:	Lloyds TSB Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Investment Fund Managers:	Artemis Investment Management LLP
Auditor:	Moore Stephens Chartered Accountants and Statutory Auditor 150 Aldersgate Street London EC1A 4AB

**2. Structure, Governance and Management**

**The Governing Documents and constitution of the charity**

The Charity Commission for England and Wales made an Order on 30 November 2011 which appointed the City of London Corporation as trustee of the charitable funds governed by this charity. The Schedule attached to the Order details the constituent charitable funds of the Charities Administered ICW the City of London Freemen's School. The Funds are registered under the same name for administrative purposes.

**Trustee selection methods**

Individuals act as Trustees by virtue of positions that they hold in the City of London Corporation in accordance with the governing document. They act as Trustee during their tenure of these positions.

**Policies and Procedures for the Induction and Training of Trustees**

The City of London Corporation makes such seminars and briefings available to its Members as it considers are necessary to enable the Members to efficiently carry out their duties. Such events relate to various aspects of the City's activities, including those concerning Charities Administered ICW the City of London Freemen's School.

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report (continued)**

**2. Structure, Governance and Management (continued)**

**Organisational structure and decision making process**

The charity is administered under the governance rules applying to the City of London Corporation and its governance and administration is in accordance with the Standing Orders and Financial Regulations of the City of London Corporation. These regulations are available from the Town Clerk of the City of London at the principal address.

**Related Parties**

Details of any related party transactions are disclosed in note 10 to the Financial Statements.

**Risk identification**

The Trustee is committed to a programme of risk management as an element of their strategy to preserve the charity's assets, enhance productivity for service users and members of the public and protect its employees.

In order to embed sound practice a Risk Management Group has been established in the City of London Corporation to ensure that risk management policies are applied, that there is an ongoing review of risk management activity and that appropriate advice and support is provided to Members and officers.

The City of London Corporation has approved a strategic risk register for all of its activities. This register helps to formalise existing processes and procedures and enables the City of London Corporation to further embed risk management throughout the organisation.

A key risk register has been prepared for this charity and has been reviewed by the Trustees. It identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

**3. Objectives and Activities for the Public Benefit**

The funds are used to provide prizes in various subjects. The funds may also be used to assist children to study various subjects at school and to aid school pupils who have gone on to University.

The Trustee has due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

**4. Achievements and Performance**

The school awarded 247 book prizes during the year (2012/13: 257).

**5. Financial Review**

During the year ended 31 March 2014 total funds increased by £9,238 (2012/13: total funds increased by £13,291) to £161,146 (2012/13: £151,908). This movement comprised the following:-

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report (continued)**

**5. Financial Review (continued)**

- i) a net gain on investments of £6,130 (2012/13: net gain of £10,409). The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio;
- ii) income of £10,520 (2012/13: £10,332) which comprised investment income of £4,275 (2012/13: £3,922) and voluntary income of £6,245 (2012/13: £6,410); and
- iii) expenditure of £7,412 (2012/13: £7,450) relating to 247 book prizes (2012/13: 257 book prizes).

**Going Concern**

The Trustee considers the Charity to be a going concern for the foreseeable future as detailed in the Accounting Policies note 1(b).

**Reserves Policy**

The Reserves Policy is to maintain the capital base of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity.

**Investment Policy**

The charity's investments are held in units of the City of London Charities Pool. The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually. The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool are available from the Chamberlain of London.

**6. Plans for Future Periods**

The on-going targets are to continue to provide for prizes in various subjects, to continue to provide sums to assist children to study various subjects at the school and to assist in further education.

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report (continued)**

**7. The Financial Statements**

These consist of the following and include comparative figures for the previous year.

- **Statement of Financial Activities** showing all resources available and all expenditure incurred and reconciling all changes in the funds of the Trust.
- **Balance Sheet** setting out the assets, liabilities and funds of the Trust.
- **Notes to the Financial Statements** explaining the accounting policies adopted and explanations of information contained in the financial statements.

The financial statements have been prepared in accordance with statutory requirements and the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)*.

**8. Statement of Trustee's Responsibilities**

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enables the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and provisions of the governing document. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Trustee's Annual Report (continued)**

**9. Adopted and signed for on behalf of the Trustee on 22<sup>nd</sup> July 2014.**

**R.A.H. Chadwick  
Chairman of Finance Committee  
Guildhall, London**

**Jeremy Paul Mayhew MA MBA  
Deputy Chairman of  
Finance Committee**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CHARITIES ADMINISTERED IN CONNECTION WITH THE CITY OF LONDON FREEMEN'S SCHOOL**

We have audited the financial statements of the Charities Administered in Connection with the City of London Freemen's School for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustee in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to the Trustee 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Trustee and auditor**

As explained more fully in the Trustee's Responsibilities Statement, the Trustee is responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2014 and of its incoming resources and application of resources, 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 Charities Act 2011.



## **Independent Auditor's Report to the Trustees of The Charities Administered In Connection With The City of London Freemen's School (Continued)**

- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*Moore Stephens*

Moore Stephens LLP  
Statutory Auditor

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

150 Aldersgate Street  
London  
EC1A 4AB

*23 July 2014*

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Statement of Financial Activities for the year ended 31 March 2014**

	Note	Restricted Fund £	Endowment Fund £	Total 2013/14 £	Total 2012/13 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income		6,245	-	6,245	6,410
<b>Investment income</b>					
Managed investment income		3,528	-	3,528	2,730
Interest receivable		747	-	747	1,192
<b>Total incoming resources</b>	3	<u>10,520</u>	-	<u>10,520</u>	<u>10,332</u>
<b>Resources expended</b>					
<b>Charitable activities</b>					
Scholarships and prizes awarded		7,412	-	7,412	7,450
<b>Total resources expended</b>	4	<u>7,412</u>	-	<u>7,412</u>	<u>7,450</u>
<b>Net incoming/(outgoing) resources before other recognised gains/(losses)</b>					
		3,108	-	3,108	2,882
<b>Other recognised gains/(losses)</b>					
Net gain/(loss) on revaluation	7	5,917	213	6,130	10,409
<b>Net movement in funds</b>		<u>9,025</u>	213	<u>9,238</u>	<u>13,291</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	9	139,009	12,899	151,908	138,617
<b>Total funds carried forward</b>	9	<u>148,034</u>	<u>13,112</u>	<u>161,146</u>	<u>151,908</u>

There are no recognised gains or losses other than as shown in the statement of financial activities above.

All incoming resources and resources expended derive from continuing activities.

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Balance Sheet as at 31 March 2014**

	Note	2014 £	2013 £
<b>Fixed Assets</b>			
Managed Investments	7	89,752	83,622
<b>Current Assets</b>			
Cash at bank and in hand		71,394	68,286
<b>Total Assets</b>	8	161,146	151,908
 <b>The funds of the charity:</b>			
Restricted fund		148,034	139,009
Endowment fund		13,112	12,899
<b>Total funds</b>	9	161,146	151,908

Approved and signed for and on behalf of the Trustee

The notes at pages 11 to 15 form part of these accounts.




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Dr Peter Kane  
Chamberlain of London  
22<sup>nd</sup> July 2014

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Notes to the Financial Statements for the year ended 31 March 2014**

**1. Accounting Policies**

The following accounting policies have been applied consistently throughout the year and in the preceding year in dealing with items which are considered material in relation to the charity's financial statements.

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)* and under the historical cost accounting rules modified to include the revaluation of investments, and in accordance with applicable United Kingdom accounting standards and the Charities Act 2011.

Activity is accounted for in the year that it takes place on an accruals basis, not simply when cash payments are made or received. In particular, where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

**(b) Going Concern**

The Trust is considered a going concern for the foreseeable future as the Trustee has due regard to maintaining the capital base and only donations and investment income are generally used in furtherance of the objectives of the Trust. Part of the Charity's income is from investments in the Charities Pool administered by the City of London Corporation. The Pool's investment policy is set out in Section 5 of the Annual Report.

**(c) Managed Investments**

Investments are valued annually at the middle market price at the close of business on 31 March. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

The unrealised gain on investments at the balance sheet date is included in the charity's funds.

**(d) Investment Income**

Investment income consists of distributions from the Charities Pool and interest receivable on cash balances.

The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Notes to the Financial Statements for the year ended 31 March 2014**

**1. Accounting Policies (continued)**

**(e) Fund Accounting**

The funds of the charity consist of a permanent endowment fund that holds the original endowment of the charity, which is invested and shown at market value, and a restricted fund that contains any undistributed annual income carried forward for use in future years.

**(f) Cash Flow Statement**

The Trust has taken advantage of the exemption in Financial Reporting Standard 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a small entity.

**2. Tax Status of the Charity**

As a registered charity income and gains are exempt from income tax to the extent that they are applied to charitable purposes.

**3. Incoming Resources**

Incoming resources are analysed as follows:

	2013/14	2012/13
	£	£
<b>Voluntary Income</b>		
Donations	6,245	6,410
<b>Investment Income</b>		
Managed Investment Income	3,528	2,730
Interest Receivable	747	1,192
<b>Total Incoming Resources</b>	<b>10,520</b>	<b>10,332</b>

**Voluntary Income**

Voluntary income consists of donations from individuals amounting to £6,245 (2012/13: £6,410).

**Investment Income**

Consists of income derived from the investments in the City of London Corporation's Charities Pool noted in 1(d) and interest received on cash balances which amounted to £4,275 (2012/13: £3,922).

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Notes to the Financial Statements for the year ended 31 March 2014**

**4. Resources Expended**

Resources expended are analysed as follows:-

	2013/14	2012/13
	£	£
<b>Charitable Activities</b>		
Prizes Awarded	7,412	7,450
<b>Total Resources Expended</b>	<b>7,412</b>	<b>7,450</b>

**Charitable activities**

Charitable activities consist of 247 book prizes awarded to individuals amounting to £7,412 (2012/13: 257 book prizes amounting to £7,450).

**5. Support and Governance Costs**

**Staff numbers and costs**

The charity does not employ any staff. Officers of the City of London Corporation provide administrative assistance to the charity when required, but this is not considered material and is not separately calculated by the City of London Corporation. It is consequently not possible to quantify this assistance in the Statement of Financial Activities.

**Auditor's remuneration and fees for external financial services**

The City of London's external auditor audits this charity as one of the numerous charities administered by the City of London Corporation. The City of London Corporation does not attempt to apportion the audit fee between all the different charities but prefers to treat it as part of the cost to its private funds. No other external financial services were provided for the Trust during the year or in the previous year.

**6. Other Items of Expenditure**

**Trustees' expenses**

Members of the City of London Corporation acting on behalf of the Trustee received no remuneration or reimbursement of expenses during the current or previous year.

**7. Investment assets**

The value and cost of investments are comprised as follows:

	Restricted Fund	Endowment Fund	Total 2014	Total 2013
Market Value 1 April	80,723	2,899	<b>83,622</b>	£ 73,213
Net investment gains (1)	5,917	213	<b>6,130</b>	10,409
<b>Market value 31 March</b>	<b>86,640</b>	<b>3,112</b>	<b>89,752</b>	83,622
<b>Cost when purchased</b>	<b>33,268</b>	<b>5,133</b>	<b>38,401</b>	38,401
Units in Charities Pool (Units)	11,165	401	<b>11,566</b>	11,566

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Notes to the Financial Statements for the year ended 31 March 2014**

**7. Investment Assets (continued)**

The geographical spread of listed investments at 31 March was as follows:

	2014 £	2013 £
Equities:		
UK	66,770	65,165
Overseas	17,214	13,142
Bonds: UK	2,493	3,019
Pooled Units: UK	1,160	832
Cash Held By Fund Manager	2,115	1,464
<b>Total Funds</b>	<b>89,752</b>	<b>83,622</b>

The majority of the charity's surplus funds are invested with the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management LLP and in the year ended 31 December 2013 achieved a total return of 24.2%, which was a relative outperformance of 6.9% compared to its benchmark, the WM Unconstrained Charity Universe.

- (1) The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio

**8. Analysis of net assets by fund at 31 March 2014**

	Restricted Fund £	Endowment Fund £	Total 2014 £	Total 2013 £
<b>Fixed Assets</b>				
Investments	86,640	3,112	89,752	83,622
<b>Total Fixed Assets</b>	<b>86,640</b>	<b>3,112</b>	<b>89,752</b>	<b>83,622</b>
Current Assets	61,394	10,000	71,394	68,286
<b>Total Net Assets</b>	<b>148,034</b>	<b>13,112</b>	<b>161,146</b>	<b>151,908</b>

**CHARITIES ADMINISTERED ICW  
THE CITY OF LONDON FREEMEN'S SCHOOL**

**Notes to the Financial Statements for the year ended 31 March 2014**

**9. Movement of Funds during the year to 31 March 2014**

	Balance at 1 April 2013	Net Incoming Resources	Net Gains on revaluation	Balance at 31 March 2014
	£	£	£	£
<b>Restricted Fund</b>	139,009	3,108	5,917	<b>148,034</b>
<b>Endowment Fund</b>	12,899	-	213	<b>13,112</b>
<b>Total Net Assets</b>	<b>151,908</b>	<b>3,108</b>	<b>6,130</b>	<b>161,146</b>

**Notes to the funds**

**Restricted Fund**

Income is credited to this fund and awards are charged each year. Surplus income is carried forward in this fund to be used in subsequent years.

**Endowment Fund**

This represents permanent endowments to the charity and the revaluation of investments to show their current market value.

**10. Details of related parties and wider networks**

The following disclosures are made in recognition of the principles underlying Financial Reporting Standard 8 concerning related party transactions.

The City of London Corporation is also the Trustee of a number of other Charitable Trusts. With the exception of the City of London Charities Pool, these Trusts do not undertake transactions with the Charities Administered ICW the City of London Freeman's School. A full list of these Trusts is available on application to the Chamberlain of London.

The Trust has investments in the City of London Charities Pool of which the City of London Corporation is also the Trustee



<b>Committee(s):</b>	<b>Date(s):</b>
Board of Governors City of London Freeman's School	7 October 2014
<b>Subject:</b> City of London Freeman's School Bursary Fund - 2013/14 Report and Financial Statements	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>

This report provides Governors with a copy of the 2013/14 Report and Financial Statements for the City of London Freeman's School Bursary Fund (charity number: 284769), and to consider whether any cash should be invested in the City of London Charities Pool.

During the year ended 31 March 2014 total funds increased by £65,704 to £742,299 (2012/13: total funds increased by £74,237 to £676,595). This £65,704 comprised the following:-

- i) a net gain on investments of £36,205 (2012/13: a net gain of £55,669);
- ii) voluntary income of £25,659 (2012/13: £23);
- iii) investment income of £23,356 (2012/13: £18,769); offset by
- iv) expenditure of £19,516 (2012/13: £224) comprising two bursary awards amounting to £19,068 (2012/13: no bursary awards) and bursary administration costs of £448 (2012/13: £224).

The cash balance held as at 31 March 2014 was £135,856 (2012/13: £229,390), and expenditure from this fund over the previous three years has averaged £9,378 per annum. Therefore, to provide an opportunity to earn potentially higher returns than interest on cash balances (1.16% for 2013/14 and estimated to be 0.75% in the current year), Governors are requested to consider investing part of this cash in the City of London Charities Pool.

The investments in the Charities Pool are managed by Artemis Investment Management Limited and in the year ended 31 December 2013 achieved a total return of 24.2% (31 December 2012: 13.3%), which was a relative outperformance of 6.9% (31 December 2012: 1.6%) compared to its benchmark, the WM Unconstrained Charity Universe. A total of 30.5p (3.9%) per unit was distributed during the year (2012/13: 23.6p (3.3%)).

### **Recommendations**

It is recommended that Members receive the annual report and financial statements for information and consider whether to invest part of the cash balance in the City of London Charities Pool.

Contact:

Steve Telling, Chief Accountant

[steve.telling@cityoflondon.gov.uk](mailto:steve.telling@cityoflondon.gov.uk)

***CITY OF LONDON FREEMEN'S SCHOOL  
BURSARY FUND  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014***

**Charity Number: 284769**

# **CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND**

## **Trustee's Annual Report and Financial Statements for the year ended 31 March 2014**

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# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Trustee's Annual Report for the year ended to 31 March 2014

### 1. Reference and Administration Details

Charity Name	City of London Freeman's School Bursary Fund
Registered Charity Number:	284769
Principal Address:	Guildhall, London EC2P 2EJ
Trustee:	The City of London Corporation
Chief Executive:	The Town Clerk of the City of London Corporation
Treasurer:	The Chamberlain of London
Solicitor:	The Comptroller and City Solicitor
Banker:	Lloyds TSB Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Investment Fund Managers:	Artemis Investment Management LLP
Auditor:	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

### 2. Structure, Governance and Management

#### **The Governing Documents and constitution of the charity**

The administration of the City of London Freeman's School Bursary Fund is set out in the governing Scheme approved by The Charity Commission for England and Wales on 1 December 2011. This Scheme replaces the previous governing document dated 30 April 1982 and its supplementary deeds of 25 August 1993 and 29 April 1997.

#### **Trustee selection methods**

Individuals act as Trustee by virtue of positions that they hold in the City of London Corporation in accordance with the governing document. They act as Trustees during their tenure of these positions.

#### **Policies and Procedures for the Induction and Training of Trustees**

The City of London Corporation makes such seminars and briefings available to its Members as it considers are necessary to enable the Members to efficiently carry out their duties. Such events relate to various aspects of the City's activities, including those concerning City of London Freeman's School Bursary Fund.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Trustee's Annual Report (continued)

### 2. Structure, Governance and Management (continued)

#### Organisational structure and decision making process

The charity is administered under the governance rules applying to the City of London Corporation and its governance and administration is in accordance with the Standing Orders and Financial Regulations of the City of London Corporation. These regulations are available from the Town Clerk of the City of London at the principal address.

#### Related Parties

Details of any related party transactions are disclosed in note 10 to the Financial Statements.

#### Risk identification

The Trustee is committed to a programme of risk management as an element of the strategy to preserve the charity's assets, enhance productivity for service users and members of the public and protect its employees.

In order to embed sound practice a Risk Management Group has been established in the City of London Corporation to ensure that risk management policies are applied, that there is an on-going review of risk management activity and that appropriate advice and support is provided to Members and officers.

The City of London Corporation has approved a strategic risk register for all of its activities. This register helps to formalise existing processes and procedures and enables the City of London Corporation to further embed risk management throughout the organisation.

A key risk register has been prepared for this charity and has been reviewed by the Trustee. It identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

### 3. Objectives and Activities for the Public Benefit

The City of London Freeman's School Bursary Fund was established in April 1982. The original funds are invested and distributed by the Trustee.

The object of the Charity is the promotion of education (including physical training) by the provision of bursaries and other forms of financial assistance for fees and/or other costs incurred through attendance at the School to enable pupils to further their education at the School by for example providing financial assistance to those who would not be able to enter the School having been accepted, or having commenced education at the School would not be able to continue their education at the School. Income can also be used for such other charitable purposes as shall be associated with the school, as the Trustee shall direct.

The Trustee has due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Trustee's Annual Report (continued)

### 4. Targets, Achievements and Performance for 2013/14

The target for 2013/14 was to continue to contribute towards fees of pupils where financial hardship would cause the pupil to be unable to enter or continue at the School. Two bursaries were awarded during the year amounting to £19,068 (2012/13: no bursaries awarded).

### 5. Financial Review

During the year ended 31 March 2014 total funds increased by £65,704 (2012/13: total funds increased by £74,237) to £742,299 (2012/13: £676,595). This movement comprised the following:-

- i) a net gain on investments of £36,205 (2012/13: a net gain of £55,669). The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio;
- ii) voluntary income of £25,659 (2012/13: voluntary income of £23);
- iii) investment income of £23,356 (2012/13: £18,769); and
- iv) expenditure on charitable activities of £19,516 (2012/13: £224) which was made up of two bursary awards amounting to £19,068 (2012/13: no bursaries awarded) and bursary administration costs of £448 (2012/13: £224).

#### Going Concern

The Trustee considers the Charity to be a going concern for the foreseeable future as detailed in the Accounting Policies note 1(b).

#### Reserves Policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and to use the investment income in accordance with the objectives of the charity.

#### Investment Policy

The charity's investments are held in units of the City of London Charities Pool. The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually. The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool are available from the Chamberlain of London.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Trustee's Annual Report (continued)

### 6. Plans for Future Periods

The objective for 2014/15 is to continue to contribute towards the fees payable to the School of pupils, who, but for financial assistance, would not be able to continue at or enter the School.

### 7. The Financial Statements

These consist of the following and include comparative figures for the previous year.

- **Statement of Financial Activities** showing all incoming resources and all expenditure incurred and reconciling all changes in funds of the Trust.
- **Balance Sheet** setting out the assets and liabilities of the Trust.
- **Notes to the Financial Statements** explaining the accounting policies adopted and explanations of information contained in the financial statements.

The financial statements have been prepared in accordance with statutory requirements and the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)*.

### 8. Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enables the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is also responsible for safeguarding the assets of the charity, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND**

**Trustee's Annual Report (continued)**

**9. Adopted and signed for on behalf of the Trustee on 23 July 2014.**

**R.A.H. Chadwick  
Chairman of Finance Committee  
Guildhall, London**

**Jeremy Paul Mayhew MA MBA  
Deputy Chairman of  
Finance Committee**

## **Independent Auditor's Report to the Trustees of The City of London Freemen's School Bursary Fund**

We have audited the financial statements of The City of London Freemen's School Bursary Fund for the year ended 31 March 2014 which are set out on pages 9 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 144 the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustee's Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at Year End and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

## **Independent Auditor's Report to the Trustees of The City of London Freemen's School Bursary Fund (Continued)**

- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*Moore Stephens LLP*

Moore Stephens LLP  
Statutory Auditor

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

150 Aldersgate Street  
London  
EC1A 4AB

*23 July 2014*

## CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

### Statement of Financial Activities for the year ended 31 March 2014

	Notes	Endowment Fund £	Total 2013/14 £	Total 2012/13 £
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
<b>Voluntary income</b>		25,659	<b>25,659</b>	23
<b>Investment income</b>				
Managed investment income		21,330	<b>21,330</b>	14,598
Interest receivable		2,026	<b>2,026</b>	4,171
<b>Total incoming resources</b>	3	<u>49,015</u>	<u><b>49,015</b></u>	<u>18,792</u>
<b>Resources expended</b>				
<b>Charitable activities</b>				
Bursaries awarded	4	19,068	<b>19,068</b>	-
Bursary administration	4 & 5	448	<b>448</b>	224
<b>Total resources expended</b>	4	<u>19,516</u>	<u><b>19,516</b></u>	<u>224</u>
<b>Net incoming resources before other recognised gains</b>				
		29,499	<b>29,499</b>	18,568
<b>Other recognised gains</b>				
Net gain on revaluation	7	36,205	<b>36,205</b>	55,669
<b>Net movement in funds</b>		65,704	<b>65,704</b>	74,237
<b>Reconciliation of funds</b>				
Total funds brought forward	9	676,595	<b>676,595</b>	602,358
<b>Total funds carried forward</b>	9	<u>742,299</u>	<u><b>742,299</b></u>	<u>676,595</u>

There are no recognised gains or losses other than as shown in the statement of financial activities above.

All incoming resources and resources expended derive from continuing activities.

## CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

### Balance Sheet as at 31 March 2014

	Notes	2014 £	2013 £
<b>Fixed Assets</b>			
Managed Investments	7	612,799	447,205
<b>Current Assets</b>			
Cash at bank and in hand		135,856	229,390
<b>Creditors: amounts falling due within one year</b>	8	(6,356)	-
<b>Net Current Assets</b>	8	129,500	229,390
<b>Total Assets less Current Liabilities</b>		742,299	676,595
 <b>The funds of the charity:</b>			
Endowment fund		742,299	676,595
<b>Total funds</b>	9	742,299	676,595

Approved and signed for and on behalf of the Trustee

The notes at pages 11 to 15 form part of these accounts.




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Dr Peter Kane  
Chamberlain of London  
22<sup>nd</sup> July 2014

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2014

### 1. Accounting Policies

The following accounting policies have been applied consistently throughout the year and in the preceding year in dealing with items which are considered material in relation to the charity's financial statements.

#### (a) *Basis of Preparation*

The financial statements have been prepared in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities (Revised 2005)* and under the historical cost accounting rules modified to include the revaluation of investments, and in accordance with applicable United Kingdom accounting standards and the Charities Act 2011.

Activity is accounted for in the year that it takes place on an accruals basis, not simply when cash payments are made or received. In particular, where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

#### (b) *Going Concern*

The charity is considered a going concern for the foreseeable future as the Trustee has due regard to maintaining the capital base and only the investment income is generally used in furtherance of the objectives of the Trust. The majority of the Charity's income is generally from investments in the Charities Pool administered by the City of London Corporation. The Pool's investment policy is set out in Section 5 of the Trustee's Report.

#### (c) *Managed Investments*

Investments are valued annually at the middle market price at the close of business on 31 March. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

The unrealised gain on investments at the balance sheet date is included in the charity's funds.

#### (d) *Investment Income*

Investment income consists of distributions from the Charities Pool and interest receivable on cash balances.

The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

#### (e) *Bursaries Awarded*

Bursaries are accounted for when the recipient has a reasonable expectation that they will receive the bursary and where any conditions attached to the bursary are outside the control of the Fund.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2014

### 1. Accounting Policies (continued)

**(f) Fund Accounting**

The charity comprises a single Endowment Fund which is expendable.

**(g) Cash Flow Statement**

The Fund has taken advantage of the exemption in Financial Reporting Standard 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a small entity.

### 2. Tax Status of the Charity

City of London Freeman's School Bursary Fund is a registered charity and as such its income and gains are exempt from income tax to the extent that they are applied to its charitable purposes.

### 3. Incoming Resources

Incoming resources are analysed as follows:

	2013/14	2012/13
	£	£
<b>Voluntary Income</b>		
Donations	25,659	23
<b>Investment Income</b>		
Managed investment income	21,330	14,598
Interest received	2,026	4,171
<b>Total Incoming Resources</b>	<b>49,015</b>	<b>18,792</b>

**Voluntary Income:**

Donations amounting to £25,659 were received during the year (2012/13: donations of £23).

**Investment Income:**

Consists of income derived from the investments in the City of London Corporation's Charities Pool noted in 1(d) and interest received on cash balances which amounted to £23,356 (2012/13: £18,769).

### 4. Resources Expended

Resources expended are analysed as follows:

	2013/14	2012/13
	£	£
<b>Charitable Activities</b>		
Bursaries Awarded	19,068	-
Bursary Administration	448	224
<b>Total Resources Expended</b>	<b>19,516</b>	<b>224</b>

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2014

### 4. Resources Expended (continued)

#### Charitable activities

Two bursary awards were made during the year (2012/13: no bursaries awarded). Included in the charitable activities are bursary administration costs. Refer to note 5 below for details of these.

### 5. Support and Governance Costs

#### Staff numbers and costs

The charity does not employ any staff. Officers of the City of London Corporation provide administrative assistance to the charity when required, but this is not considered material and is not separately calculated by the City of London Corporation. However, some administration services concerned with Bursary Administration are directly charged to the charity. Such costs charged to the fund in 2013/14 amounted to £448 (2012/13: £224).

#### Auditor's remuneration and fees for external financial services

The City of London's external auditor audits this charity as one of the numerous charities administered by the City of London Corporation. The City of London Corporation does not attempt to apportion the audit fee between all the different charities but prefers to treat it as part of the cost to its private funds. No other external financial services were provided for the Fund during the year or in the previous year.

### 6. Other Items of Expenditure

#### Trustee expenses

Members of the City of London Corporation acting on behalf of the Trustee received no remuneration or reimbursement of expenses during the current or previous year.

### 7. Investment Assets

The value and cost of investments is comprised as follows:

	Endowment Fund	
	2014	2013
	£	£
Market Value 1 April	447,205	391,536
Purchase of 17,115 units	129,389	-
Net investment gains (1)	36,205	55,669
<b>Market value 31 March</b>	<b>612,799</b>	<b>447,205</b>
<b>Cost when purchased</b>	<b>409,758</b>	<b>280,369</b>
Units in Charities Pool (Units)	78,969	61,854



## CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

### Notes to the Financial Statements for the year ended 31 March 2014

#### 7. Investment Assets (continued)

The geographical spread of listed investments at 31 March was as follows:

	2014 £	2013 £
Equities:		
UK	455,886	348,496
Overseas	117,532	70,283
Bonds UK	17,019	16,144
Pooled Units: UK	7,921	4,452
Cash Held By Fund Manager	14,441	7,830
<b>Total Funds</b>	<b>612,799</b>	<b>447,205</b>

The majority of the charity's surplus funds are invested with the Charities Pool administered by the City of London Corporation and the interest is received from the Chamberlain of London on balances held on behalf of the Trust. The investments are managed by Artemis Investment Management LLP and in the year ended 31 December 2013 achieved a total return of 24.2%, which was a relative outperformance of 6.9% compared to its benchmark, the WM Unconstrained Charity Universe.

- (1) The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager which was mainly due to favourable asset allocation within the portfolio.

#### 8. Analysis of Net Assets by Fund at 31 March 2014

	Endowment Fund	Total 2014	Total 2013
	£	£	£
<b>Fixed Assets</b>			
Investments	612,799	612,799	447,205
<b>Total Fixed Assets</b>	612,799	612,799	447,205
Current Assets	135,856	135,856	229,390
Current Liabilities (1)	(6,356)	(6,356)	-
<b>Total Net Assets</b>	<b>742,299</b>	<b>742,299</b>	<b>676,595</b>

- (1) Current liabilities represent bursaries awarded by the Trust for the Summer term 2014.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2014

### 9. Movement of Funds during the year to 31 March 2014

	Balance at 1 April 2013	Net Incoming Resources	Net gains on revaluation	Balance at 31 March 2014
	£	£	£	£
<b>Endowment Fund:</b>				
Expendable	676,595	29,499	36,205	742,299
<b>Total Funds</b>	<b>676,595</b>	<b>29,499</b>	<b>36,205</b>	<b>742,299</b>

### Notes to the funds

#### Endowment Fund

This fund comprises donations to the charity, which are invested in the Charities Pool and investment income. Awards are charged to the fund each year and surplus income is carried forward to be used in subsequent years.

### 10. Details of related parties and wider networks

The following disclosures are made in recognition of the principles underlying Financial Reporting Standard 8 concerning related party transactions.

The City of London Corporation is also the Trustee of a number of other Charitable Funds. With the exception of the City of London Charities Pool, these Funds do not undertake transactions with the City of London Freeman's School Bursary Fund. A full list of these Funds is available on application to the Chamberlain of London.

The Fund has investments in the City of London Charities Pool of which the City of London Corporation is also the Trustee. Investment income from the Charities Pool in 2013/14 amounted to £21,330 (2012/13: £14,598).

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