

Committee	Date:	Item no.
Board of Governors of the City of London Freemen's School	27 September 2018	
<b>Subject:</b> The City of London Freemen's School Bursary Fund draft Annual Report and Financial Statements for the year ended 31 March 2018	<b>Public</b>	
<b>Report of:</b> The Chamberlain	<b>For Decision</b>	
<b>Report author:</b> Steven Reynolds, Chamberlain's Department		
<div>1. This report provides Governors with a copy of the draft Annual Report and Financial Statements for the City of London Freemen's School Bursary Fund (charity number: 284769) for the year ended 31 March 2018, and an opportunity to consider whether part of the cash balance should be invested in the City of London Charities Pool.</div> <div>2. During the year ended 31 March 2018 total funds increased by £22,070 (2016/17: total funds increased by £123,843) to £937,534 (2016/17: £915,464). This movement comprised the following:-<ul style="list-style-type: none"><li>a net gain on investments of £6,518 (2016/17: a net gain of £89,293);</li><li>investment income of £29,897 (2016/17: £30,142);</li><li>voluntary income of £8,784 (2016/17: voluntary income of £16,768); and</li><li>expenditure on charitable activities of £23,129 (2016/17: £12,360) which was made up of four bursary awards (2016/17: two bursary awards) amounting to £21,927 (2016/17: £11,464) and bursary administration costs of £1,202 (2016/17: £896).</li></ul></div> <div>3. The charity's available cash balance at 31 March 2018 was £43,028 (2016/17: £81,442).</div> <div>4. This report asks Governors to consider whether it wishes to make a further investment in the Charities Pool. Investment in the Charities Pool provide an opportunity to earn potentially higher returns than interest on cash balances (0.521% for 2017/18 and estimated to be 0.75% for 2018/19).</div>		

5. Expenditure from this charity over the previous three years is shown in the table below, an average of £24,121 per annum.

	<b>2017/18</b>	<b>2016/17</b>	<b>2015/16</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Income	38,681	46,910	64,714
Expenditure	(23,129)	(12,360)	(36,874)
<b>Net income/(expenditure)</b>	<b>15,552</b>	<b>34,550</b>	<b>27,840</b>
<b>Cash balance 31 March</b>	<b>43,028</b>	<b>81,442</b>	<b>105,061</b>
Purchase of Charities Pool units	-	(28,696)	(49,998)
<b>Remaining cash balance</b>	<b>43,028</b>	<b>52,746</b>	<b>55,063</b>

6. It is recommended that sufficient cash is retained by the Charity to cover a year's worth of expenditure. Therefore, based on the available cash as at 1 April 2018 of £43,028, less the average expenditure over the past three years of £24,121, it is recommended that a further investment of £18,907 in the Charities Pool is made at the next available opportunity (1 October 2018).
7. The next review of the available cash balance will be presented to this Board in September 2019, in time to meet the 1 October deadline for investment or disinvestment in the Pool, should this be required.

### **Recommendations**

8. It is recommended that Governors:
- receive the draft 2017/18 Annual Report and Financial Statements for the City of London Freemen's School Bursary Fund; and
  - endorse that cash of £18,907 be invested in the Charities Pool on 1 October 2018.

### **Contact:**

Steven Reynolds  
Group Accountant  
Chamberlain's Department  
Tel: 020 7332 1382  
[steven.reynolds@cityoflondon.gov.uk](mailto:steven.reynolds@cityoflondon.gov.uk)