

Committee(s):	Date(s):	Item no.
Board of Governors of City of London School	Monday, 6 October 2014	
Subject: The City of London School Bursary Fund incorporating The City of London School Scholarships & Prizes Fund - 2013/14 Report and Financial Statements	Public	
Report of: The Chamberlain	For Decision	
<p>This report provides Governors with a copy of the 2013/14 Report and Financial Statements for The City of London School Bursary Fund (charity 1) incorporating The City of London School Scholarships & Prizes Fund (charity 2), and to consider whether any cash should be invested in the City of London Charities Pool.</p> <p>The governing scheme approved by the Charity Commission for England and Wales on 1 December 2011 directs that The City of London School Scholarships & Prizes Fund (charity number: 276654-1) shall be treated as forming part of The City of London School Bursary Fund (charity number: 276654) solely for the purpose of Part II (registration) and Part VI (accounting) of the Charities Act 2011.</p> <p>During the year ended 31 March 2014 total funds increased by £312,801 to £3,240,037 (2012/13: total funds increased by £454,862). This movement comprised the following:-</p> <ul style="list-style-type: none"> i) a net gain on the value of investments of £193,006 (2012/13: a net gain of £302,971); ii) income of £224,190 (2012/13: £220,288) relating to voluntary income of £109,439 (2012/13: £136,780) and investment income and interest of £114,751 (2012/13: £83,508); partly offset by iii) expenditure of £104,395 (2012/13: £68,397) comprising 297 scholarship and prizes amounting to £65,463 (2012/13: 279 scholarship and prizes amounting to £63,055); 3 bursary awards amounting to £29,773 (2012/13: no bursary awards); contributions to school uniforms and trip expenses totalling £8,570 (2012/13: £5,342); and bursary support costs of £589 (2012/13: £nil). 		

The total cash balance held in this fund as at 31 March 2014 was £444,254 (2012/13: £307,683) and total expenditure from this fund over the previous three years has averaged £86,938 per annum. The cash balance and average expenditure are split as follows:-

The City of London School Bursary Fund (charity 1):

- Cash Balance: £347,227 (2012/13: £326,727)
- Average expenditure: £63,445 per annum

The City of London School Scholarships & Prizes Fund (charity 2):

- Cash Balance: £97,027 (2012/13: £19,044 overdrawn)
- Average Expenditure: £23,493 per annum

The cash balance for charity 2 increased significantly in 2013/14 principally due to the receipt of £82,233 as a bequest from the estate of Ronald Charles Sansom which is held as Restricted Fund.

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 the 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 Governors receive the annual report and financial statements for information and consider whether to invest part of the cash balances in the City of London Charities Pool.

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