



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

**Date:** MONDAY, 5 OCTOBER 2015  
**Time:** 11.00 am  
**Venue:** CITY OF LONDON FREEMEN'S SCHOOL, ASHTEAD PARK, SURREY,  
KT21 1ET

**Members:**

Stuart Fraser (Chairman)	Andrew McMillan
Roger Chadwick (Deputy Chairman)	Hugh Morris
Deputy John Bennett	Graham Packham
Michael Bramwell	Adam Richardson
Nicholas Goddard	Alderman Matthew Richardson
Alderman Timothy Hailes	Elizabeth Rogula
Deputy Brian Harris	Ian Seaton (Ex-Officio Member)
Ann Holmes	Sir Michael Snyder (Ex-Officio Member)
Michael Hudson	Councillor Chris Townsend
Vivienne Littlechild	Philip Woodhouse
Sir Clive Martin	Gillian Yarrow

**Enquiries:** Jacqui Daniels  
tel. no.: 020 7332 1480  
jacqui.daniels@cityoflondon.gov.uk

Lunch will be served at 1pm  
Part of the meeting could be the subject of Audio or Video recording.

John Barradell  
Town Clerk and Chief Executive

# 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 27 April 2015.

**For Decision**  
(Pages 1 - 6)

4. **MINUTES OF THE FINANCE, GENERAL PURPOSES AND ESTATES SUB COMMITTEE**

To receive the draft minutes of the meeting held on 4 June 2015.

**For Information**  
(Pages 7 - 8)

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

To receive the draft minutes of the meeting held on 4 June 2015.

**For Information**  
(Pages 9 - 12)

6. **MINUTES OF THE BURSARY COMMITTEE**

To note the draft minutes of the Bursary Committee of 9 July 2015.

**For Information**  
(Pages 13 - 14)

7. **COUNTER-TERRORISM AND SECURITY ACT 2015**

Report of the Remembrancer.

**For Information**  
(Pages 15 - 26)

8. **REVENUE OUTTURN 2014/15**

Joint report of the Chamberlain and Headmaster.

**For Information**  
(Pages 27 - 36)

9. **CHARITIES ADMINISTERED IN CONNECTION WITH (ICW) THE CITY OF LONDON FREEMEN'S SCHOOL - 2014/15 - REPORT AND FINANCIAL STATEMENTS**

Report of the Chamberlain.

**For Decision**  
(Pages 37 - 54)

10. **CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND - 2014/15 REPORT AND FINANCIAL STATEMENTS**

Report of the Chamberlain.

**For Decision**  
(Pages 55 - 72)

11. **ACTION TAKEN UNDER URGENCY PROCEDURES**

Report of the Town Clerk.

**For Information**  
(Pages 73 - 74)

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

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

14. **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.

**Part 2 - Non-Public Agenda**

15. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 27 April 2015.

**For Decision**  
(Pages 75 - 78)

16. **NON-PUBLIC MINUTES OF THE FINANCE, GENERAL PURPOSES AND ESTATES SUB COMMITTEE**

To receive the draft minutes of 4 June 2015.

**For Information**  
(Pages 79 - 80)

17. **MINUTES OF THE EDUCATION AND ACADEMIC SUB COMMITTEE**  
To receive the draft minutes of the meeting held on 4 June 2015.  
**For Information**  
(Pages 81 - 82)
18. **MINUTES OF THE BURSARY COMMITTEE**  
To note the draft minutes of the Bursary Committee of 9 July 2015.  
**For Information**  
(Pages 83 - 84)
19. **HEADMASTER'S REPORT**  
Report of the Headmaster.  
**For Information**  
(Pages 85 - 134)
20. **HEAD OF THE JUNIOR SCHOOL REPORT**  
Report of the Head of the Junior School.  
**For Information**  
(Pages 135 - 140)
21. **BURSAR'S REPORT**  
Report of the Headmaster.  
**For Information**  
(Pages 141 - 168)
22. **SCHOLARSHIPS AND BURSARIES**  
Report of the Headmaster.  
**For Information**  
(Pages 169 - 176)
23. **OUTREACH**  
Report of the Headmaster.  
**For Information**  
(Pages 177 - 182)
24. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**
25. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

**BOARD OF GOVERNORS OF THE CITY OF LONDON FREEMEN'S SCHOOL**  
**Monday, 27 April 2015**

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 Monday, 27 April 2015 at 11.00 am

**Present**

**Members:**

Stuart Fraser (Chairman)	Graham Packham
Roger Chadwick (Deputy Chairman)	Adam Richardson
Deputy John Bennett	Alderman Matthew Richardson
Michael Bramwell (External Member)	Elizabeth Rogula
Deputy Brian Harris	Deputy Dr Giles Shilson (Ex-Officio Member)
Michael Hudson	Sir Michael Snyder (Ex-Officio Member)
Vivienne Littlechild	Councillor Chris Townsend (External Member)
Sir Clive Martin (External Member)	Philip Woodhouse
Andrew McMillan (External Member)	

**Officers:**

Jacqui Daniels	Town Clerk's Department
Steve Telling	Chamberlain's Department
Mark Lowman	City Surveyor
Philip MacDonald	Headmaster, City of London Freeman's School
Sue Williams	Bursar, City of London Freeman's School
Matt Robinson	Head of Junior School, City of London Freeman's School

(Alderman Matthew Richardson in the Chair)

**1. APOLOGIES**

Apologies for absence were received from Alderman Tim Hailes, Vivienne Littlechild, Hugh Morris and Gillian Yarrow.

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

Councillor Chris Townsend declared a non-pecuniary interest stating that he was currently appointed and serving as an elected representative of Mole Valley District Council.

**3. ORDER OF THE COMMON COUNCIL**

The Town Clerk tabled the Order of the Court of Common Council of 23 April 2015 appointing the Board of Governors of the City of London Freeman's School for 2015/16 and setting its Terms of Reference.

**RECEIVED.**

4. **ELECTION OF CHAIRMAN**

The Committee 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.

Mr Fraser thanked the Board for their support and looked forward to another busy year ahead.

5. **ELECTION OF DEPUTY CHAIRMAN**

The Committee 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 and took his place.

6. **MINUTES**

The public minutes and summary of the last meeting held on 11 February 2015 were approved as a correct record.

The Chairman welcomed Alderman Matthew Richardson to the Board and paid tribute to those Governors who had not returned to the Board namely Alderman Hewitt, Alderman Parmley, Judith Pleasance and Douglas Mobsby and were all thanked for their contributions. It was noted that Alderman Hailes had been appointed as a new Governor but had unfortunately been unable to attend the meeting that day.

7. **APPOINTMENT OF CO-OPTED GOVERNORS**

Michael Bramwell and Chris Townsend left the room during consideration of the item.

The Board considered a report of the Town Clerk concerning the appointment of co-opted Governors.

Governors supported the Chairman's view concerning the need to keep the membership of the Board fresh and relevant, whilst valuing its history. He suggested that the Town Clerk be requested to undertake a review of the Co-opted Member appointment process and submit a report to Governors thereon, taking account of the following matters:-

- The appointment of a Nominations Sub Committee to consider future co-opted Member appointments and to develop a set of skills that the Board would benefit from and that, where possible, information for consideration be circulated via email;
- The possible introduction of a limit on the number of terms a co-opted Member could stand for, under normal circumstances;

- The need for co-opted Members to have regular contact and play an active part in the School and its events;
- The need for an academic or past pupil Governor on the Board.

**RESOLVED – That**

- 1) the Town Clerk be requested to undertake a review of the Co-opted Governor appointment process and submit a report to Governors thereon, taking account of the matters listed above;
- 2) Michael Bramwell and Chris Townsend be appointed as co-opted Governors on the Board of Governors of the City of London Freeman’s School, both for terms expiring in April 2016, pending the review of the appointment process for co-opted Governors which would include the length of terms of office;
- 3) the Clerk to the Governors be requested to write to Douglas Mobsby expressing the Board’s thanks and appreciation of his service over the past 18 years; and
- 4) the position concerning Gillian Yarrow, as set out in paragraph 4 of the report, be noted.

Michael Bramwell and Chris Townsend returned to the room.

Chris Townsend suggested that the Chairman may wish to look into a successor for him on the Board should he lose his seat or step down from Mole Valley District Council at the next election in his Ward.

**8. APPOINTMENT OF THE BURSARY AND SUB COMMITTEES**

The Board considered a report of the Town Clerk relative to the appointment of the Board’s Bursary Committee, two Sub Committees and the Teachers’ Pay Panel, their composition and terms of reference.

**RESOLVED – That,** the composition and terms of reference of the Board’s Bursary, two Sub Committees and the Teachers’ Pay Panel be approved and that they be appointed as follows for 2015/16:-

**Bursary Committee**

Stuart Fraser (Chairman)  
 Roger Chadwick (Deputy Chairman)  
 Deputy John Bennett  
 Michael Bramwell  
 Andrew McMillan  
 Elizabeth Rogula  
 Philip Woodhouse

**Academic and Education Sub Committee:**

Stuart Fraser (Chairman)  
 Roger Chadwick (Deputy Chairman)  
 Brian Harris  
 Sir Clive Martin  
 Andrew McMillan  
 Councillor Chris Townsend (co-opted)

**Finance, General Purposes and Estates Sub Committee:**

Stuart Fraser (Chairman)  
Roger Chadwick (Deputy Chairman)  
Michael Bramwell  
Brian Harris  
Adam Richardson  
Philip Woodhouse

**Teachers' Pay Panel**

Stuart Fraser (Chairman)

9. **APPOINTMENT OF AGBIS REPRESENTATIVE**

The Board proceeded to appoint their AGBIS representative for 2015/16.

**RESOLVED** – That, as the only Governor expressing an interest in serving, Roger Chadwick be appointed as the Board's AGBIS representative for the ensuing year.

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

There were no questions.

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

The Chairman agreed that the following item should be considered as an urgent item.

**Teachers' Pay Award 2015-16**

A report of the Director of Human Resources informing the Board of Governors of pay discussions that had taken place on behalf of the Board regarding the Staff Side and Common Room pay claim for September 2015.

**RESOLVED** – That:-

- 1) the report be noted; and
- 2) it be agreed that the Teachers' Pay Panel should continue in relation to any pay claim made on behalf of the Staff Side and Common Rooms for the academic year commencing in September 2016.

12. **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 as follows:-

Items	Exemption Paragraph(s)
13 & 15-20	3
14	1 & 2

13. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting, held on 11 February 2015, were considered and approved as a correct record.



14. **HEAD OF JUNIOR SCHOOL REPORT**  
The Board received a report of the Head of the Junior School providing Governors with an overview of events in the Junior School since the last Board meeting.
15. **BURSAR'S REPORT**  
The Board received a report of the Bursar regarding various issues including the Master-plan, arrears of fees, HR matters, development, catering and marketing events.
16. **OLD FREEMEN'S ASSOCIATION MEMORIAL CLUBHOUSE**  
The Board considered a report of the Headmaster regarding the Old Freeman's Association Memorial Clubhouse.
17. **HEADMASTER'S REPORT**  
The Board received a report of the Headmaster of the City of London Freeman's School relative to various School matters including the School Roll, 13+Scholarships, FSA and experiences, staffing matters and the School Development Plan.
18. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE BOARD**  
There were no questions.
19. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE BOARD AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
There were no urgent items.
20. **MEMBERS ONLY MINUTES**  
The Members Only minutes of the meeting, held on 11 February 2015, were considered and approved as a correct record.

**The meeting ended at 1.05 pm**

-----  
Chairman

**Contact Officer: Jacqui Daniels**  
**tel. no.: 020 7332 1480**  
**jacqui.daniels@cityoflondon.gov.uk**

This page is intentionally left blank

**FINANCE, GENERAL PURPOSES AND ESTATES SUB-COMMITTEE OF THE  
BOARD OF GOVERNORS OF THE CITY OF LONDON FREEMEN'S SCHOOL  
Thursday, 4 June 2015**

Minutes of the meeting of the Finance, General Purposes and Estates Sub-Committee 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, 4 June 2015 at 10.30 am

**Present**

**Members:**

Stuart Fraser (Chairman)  
Michael Bramwell  
Deputy Brian Harris

**In attendance**

Vivienne Littlechild

**Officers:**

Jacqui Daniels	Town Clerk's Department
Steve Telling	Chamberlain's Department
Philip MacDonald	Headmaster, City of London Freeman's School
Sue Williams	Bursar, City of London Freeman's School
Vicky Buckman	Deputy Head, City of London Freeman's School
Andrew Shorten	City Surveyor's Department

**1. APOLOGIES**

Apologies for absence were received from Roger Chadwick and Philip Woodhouse.

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

There were no declarations of interest under the Code of Conduct relating to items on the agenda.

**3. MINUTES**

**RESOLVED:** That public the minutes of the Finance, General Purposes and Estates Sub Committee meeting held on 10 November 2014 be approved as an accurate record subject to 'Mark Beach' in the list of officers present being amended to read 'Matt Robinson'.

**4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were no questions.

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

There were no items of public urgent business.

6. **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 Schedule 12A of the Local Government Act.

Item No.

7

Exempt Paragraph

3

7. **MINUTES**

The non-public minutes of the meeting held on 10 November 2014 were considered and approved as a correct record.

8. **ARREARS OF FEES**

The Sub Committee considered and approved a report of the Headmaster in respect of arrears of fees.

9. **SERVICE BASED REVIEW UPDATE**

Governors considered a report of the Headmaster updating them on the Service Based Review savings for the School.

10. **ASHTEAD PARK SECURITY**

Governors received a report of the Headmaster concerning the security of the School site.

11. **RISK**

Governors received a report of the Headmaster reviewing the risk management strategy for the School and the evaluation of risks by the Senior Management Team.

12. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were no questions.

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

There were no urgent non-public items.

**The meeting ended at 11.25 am**

-----  
**Chairman**

**Contact Officer: Jacqui Daniels**  
**tel. no.: 020 7332 1480**  
**jacqui.daniels@cityoflondon.gov.uk**

**ACADEMIC & EDUCATION SUB COMMITTEE OF THE BOARD OF GOVERNORS  
OF THE CITY OF LONDON FREEMEN'S SCHOOL  
Thursday, 4 June 2015**

Minutes of the meeting of the Academic & Education Sub Committee 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, 4 June 2015 at 11.30 am

**Present**

**Members:**

Stuart Fraser (Chairman)  
Deputy Brian Harris  
Sir Clive Martin (External Member)  
Andrew McMillan (External Member)

**In attendance:**

Vivienne Littlechild

**Officers:**

Jacqui Daniels	Town Clerk's Department
Philip MacDonald	Headmaster, City of London Freeman's School
Vicky Buckman	Deputy Head, City of London Freeman's School
Evelyn Guest	City of London Freeman's School
Gareth Hughes	Head of Sixth Form, City of London Freeman's School
Matt Robinson	Head of Junior School, City of London Freeman's School

**1. APOLOGIES**

Apologies for absence were received from Roger Chadwick and Councillor Chris Townsend.

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

There were no declarations of interest under the Code of Conduct relating to items on the agenda.

**3. MINUTES**

**RESOLVED:** That public the minutes of the Academic and Education Sub-Committee meeting held on 10 November 2014 be approved as an accurate record, subject to the name of Mark Beach in the list of officers present being amended to read Matt Robinson.

**4. PUPIL AND PARENT DATA PROTECTION POLICY**

The Sub-Committee received the current version of the draft City of London Freeman's School Pupil and Parent Data Protection Policy for discussion and adoption.

**RESOLVED:** That approval be given to the adoption of the City of London Freemen's School Pupil and Parent Data Protection Policy.

5. **INDUCTION PROCEDURES FOR NEW PUPILS**

The Head of the Upper School gave a detailed presentation of the current Induction procedures for review. The Governors were assured that there was a similar regime for the other intakes into the School.

**RESOLVED** – That the current induction procedures, as outlined by the Head of the Upper School, be endorsed.

6. **INDEPENDENT SCHOOLS INSPECTORATE - INSPECTOR'S REPORT**

The Headmaster updated the Governors on the contents of the Independent School's Inspectorate's report on the School. He reported that the School had been awarded 'Excellent' in eight out of the nine areas and had written to the parents to inform them.

The Chairman congratulated the Head and all the staff involved in this excellent result.

The Head referred to the remaining area which was concerned with Boarding and had been awarded 'Good' where two recommendations had been made one recommended more formal consultation being carried out with boarders and to that end a Boarding Pupils Forum would be set up and an existing system of rewards for good behaviour or results would be formalised. The other recommendation related to making the new accommodation more homely and that recommendation would also be implemented.

The Chairman suggested that the contribution of the Head and his team be recognised and it was agreed that any proposal in line with that given to the City of London School for Girls be supported and that, if necessary, any recommendations be made to Governors via email.

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were no questions.

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

There were no items of urgent business.

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 Schedule 12A of the Local Government Act.

Item No.  
10

Exempt Paragraph  
3

10. **NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 10 November 2014 were considered and approved as a correct record.

11. **NON PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB COMMITTEE**

There were two non-public questions relating to the work of the Sub-Committee.

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

There were no urgent non-public items.

**The meeting ended at 12.40 pm**

-----  
Chairman

**Contact Officer: Jacqui Daniels  
Tel. no.: 020 7332 1480  
jacqui.daniels@cityoflondon.gov.uk**

This page is intentionally left blank



**BURSARY COMMITTEE OF THE BOARD OF GOVERNORS OF THE CITY OF  
LONDON FREEMEN'S SCHOOL  
Thursday, 9 July 2015**

Minutes of the meeting of the Bursary Committee of the Board of Governors of the City of London Freeman's School held at Committee Room - 2nd Floor West Wing, Guildhall on Thursday, 9 July 2015 at 12.00 pm

**Present**

**Members:**

Stuart Fraser (Chairman)  
Andrew McMillan  
Philip Woodhouse

**Officers:**

Steve Telling	Chamberlain's Department
Sue Williams	Bursar, City of London Freeman's School
Jacqui Daniels	Town Clerk's Department

**1. APOLOGIES**

Apologies for absence were received from Roger Chadwick, Deputy John Bennett, Michael Bramwell and Elizabeth Rogula.

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

Philip Woodhouse declared an interest in item 9 as a Liveryman of the Grocer's Company, the company being a co-supporter of one of the Bursary students.

**3. MINUTES**

The public minutes of the Bursary Committee of the Board of Governors of the City of London Freeman's School meeting held on 26 June 2014 were considered and approved as a correct record.

**4. TERMS OF REFERENCE**

The Sub Committee received the note of the Town Clerk which set out the Composition and Terms of Reference of the Bursary Committee as approved by the Board of Governors of the City of London Freeman's School on 27 April 2015.

The Chamberlain undertook to provide Members with the rules concerning Bursary applications at the next meeting.

**5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

**The Children of Freeman**

In answer to a question of the Chairman, the Bursar explained that a parent would need to have been a Freeman before their death in order for a

Foundation application to be made for their child. She confirmed that the normal rules for a Bursary would then need to be applied.

Members discussed the need to think strategically and the work of a development office in encouraging funds to be used for capital projects.

School Performance of applicants

In answer to a Member's suggestion the Bursar agreed to include a general comment about the performance of the child in reports concerning their applications in future.

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

There were no items of urgent business.

**7. 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 Schedule 12A of the Local Government Act.

Item Nos.	Exemption Paragraphs
8	1 & 3
9	1, 2 & 3

**8. NON-PUBLIC MINUTES**

The non-public minutes of the Bursary Committee of the Board of Governors of the City of London Freeman's School, held on 26 June 2014, were considered and approved as a correct record.

**9. BURSARY APPLICATIONS AND CASH FLOW FORECASTS**

The Bursary Committee considered a joint report of the Chamberlain and the Headmaster of the City of London Freeman's School relative to one new bursary application and three reviews of previously awarded bursaries.

**10. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

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

There were no urgent items.

**The meeting ended at 12.45 pm**

-----  
Chairman

**Contact Officer: Jacqui Daniels**  
**Tel. no.: 020 7332 1480**  
**jacqui.daniels@cityoflondon.gov.uk**

<b>Committee:</b>	<b>Date:</b>
Board of Governors of the City of London Freeman’s School Board of Governors of the City of London School Board of Governors of the City of London School for Girls	5 <sup>th</sup> October 2015  17 <sup>th</sup> June 2015 22 <sup>nd</sup> June 2015
<b>Subject:</b> Counter-Terrorism and Security Act 2015	<b>Public</b>
<b>Report of:</b> Remembrancer	<b>For Information</b>

### Summary

This report advises the Board of the relevant provisions of the Counter-Terrorism and Security Act 2015, which places two new duties on the proprietors of independent schools (and therefore on the Board in discharging the functions of the City Corporation as proprietor). First, the Board will need to have due regard to the need to prevent people from being drawn into terrorism. Second, the Board will need to co-operate with panels put in place by local authorities to identify and provide support to those who are vulnerable to being drawn into terrorism.

### Recommendation

It is recommended that the Board note this Report and the duties placed on the Board described in paragraphs 2 and 3 below.

### Main Report

1. The Counter-Terrorism and Security Act 2015 passed quickly through Parliament in the early part of this year. Attention has focused on measures to restrict the ability of British citizens to return to the United Kingdom after going abroad to participate in terrorist activities. This Report deals with two new duties which apply to educational institutions, including the City Corporation’s independent schools. The duties are intended to provide a statutory footing for existing policies such as the ‘Prevent’ strategy and the ‘Channel’ programme.
2. First, the Board, in discharging the functions of the City Corporation as the proprietor of the School, will come under a general duty to “have due regard to the need to prevent people from being drawn into terrorism.” This is widely known as the ‘*Prevent* duty’. The Secretary of State has issued statutory guidance about how the duty is to be put into practice. The generally applicable sections of the guidance, together with the sector-specific guidance relating to schools, are appended to this Report. The Board is required to have regard to this guidance. If the Secretary of State considers

that a body is failing adequately to fulfil the *Prevent* duty, then the Secretary of State may issue binding directions in order to secure its performance. The duty comes into force on 1<sup>st</sup> July 2015.

3. Second, the Board (along with other “partner” bodies) is, in discharging the functions of the City Corporation as the proprietor of the School, under a duty to co-operate “so far as appropriate and reasonably practicable” with panels set up by local authorities in order to identify and provide support to those who are vulnerable to being drawn into terrorism. Each local authority has to ensure that such a panel, which is to include representatives from the local authority and the police, is in place for its area. The first duty of the panel is to assess the extent to which identified individuals are vulnerable to being drawn into terrorism. If the panel then considers that any individual should be offered support to reduce his vulnerability, it is able to prepare a “support plan” for the individual and make arrangements for its implementation. Alternatively, the panel is able to refer individuals to health or social care services.

## **Appendices**

- Extracts from “*Prevent* duty guidance: Statutory guidance issued under section 29 of the Counter-Terrorism and Security Act 2015”, Home Office, March 2015.

## **Background Papers**

Report of the Remembrancer on the Counter-Terrorism and Security Bill:

- Police Committee, 16<sup>th</sup> January 2015
- Policy and Resources Committee, 22<sup>nd</sup> January 2015
- Community and Children’s Services Committee, 13<sup>th</sup> February 2015
- Safer City Partnership Strategy Group, 3<sup>rd</sup> March 2015

## **Sam Cook**

Assistant Parliamentary Affairs Counsel, Remembrancer’s Office

020 7332 3045

[sam.cook@cityoflondon.gov.uk](mailto:sam.cook@cityoflondon.gov.uk)



HM Government

# *Prevent Duty Guidance:* for England and Wales

Guidance for specified authorities in England and Wales on the duty in the Counter-Terrorism and Security Act 2015 to have due regard to the need to prevent people from being drawn into terrorism.

© Crown Copyright 2015

The text in this document (excluding the Royal Arms and other departmental or agency logos) may be reproduced free of charge in any format or medium providing it is reproduced accurately and not used in a misleading context. The material must be acknowledged as Crown copyright and the title of the document specified.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

ISBN: 978-1-78246-7933-9

## A. Status and Scope of the Duty

### Statutory guidance issued under section 29 of the Counter-Terrorism and Security Act 2015.

1. Section 26 of the Counter-Terrorism and Security Act 2015 (the Act) places a duty on certain bodies ("specified authorities" listed in Schedule 6 to the Act), in the exercise of their functions, to have "due regard to the need to prevent people from being drawn into terrorism". This guidance is issued under section 29 of the Act. The Act states that the authorities subject to the provisions must have regard to this guidance when carrying out the duty.
2. The list of specified authorities subject to the provisions can be found in Schedule 6 to the Act. Further details can be found in the sector-specific sections of this guidance.
3. The duty applies to specified authorities in England and Wales, and Scotland. Counter terrorism is the responsibility of the UK Government. However, many of the local delivery mechanisms in Wales and Scotland, such as health, education and local government, are devolved. We will ensure close cooperation with the Scottish and Welsh Governments in implementing the Prevent duty where there are interdependencies between devolved and non-devolved elements. There is separate guidance for specified authorities in Scotland.
4. The duty does not confer new functions on any specified authority. The term "due regard" as used in the Act means that the authorities should place an appropriate amount of weight on the need to prevent people being drawn into terrorism when they consider all the other factors relevant to how they carry out their usual functions. This purpose of this guidance is to assist authorities to decide what this means in practice.

## B. Introduction

5. The Prevent strategy, published by the Government in 2011, is part of our overall counter-terrorism strategy, CONTEST. The aim of the *Prevent* strategy is to reduce the threat to the UK from terrorism by stopping people becoming terrorists or supporting terrorism. In the Act this has simply been expressed as the need to "prevent people from being drawn into terrorism".
6. The 2011 *Prevent* strategy has three specific strategic objectives:
  - respond to the ideological challenge of terrorism and the threat we face from those who promote it;
  - prevent people from being drawn into terrorism and ensure that they are given appropriate advice and support; and
  - work with sectors and institutions where there are risks of radicalisation that we need to address.
7. Terrorist groups often draw on extremist ideology, developed by extremist organisations. Some people who join terrorist groups have previously been members of extremist organisations and have been radicalised by them. The Government has defined extremism in the *Prevent* strategy as: "vocal or active opposition to fundamental British values, including democracy, the rule of law, individual liberty and mutual respect and tolerance of different faiths and beliefs. We also include in our definition of extremism calls for the death of members of our armed forces".



8. The *Prevent* strategy was explicitly changed in 2011 to deal with all forms of terrorism and with non-violent extremism, which can create an atmosphere conducive to terrorism and can popularise views which terrorists then exploit. It also made clear that preventing people becoming terrorists or supporting terrorism requires challenge to extremist ideas where they are used to legitimise terrorism and are shared by terrorist groups. And the strategy also means intervening to stop people moving from extremist (albeit legal) groups into terrorist-related activity.

9. Our *Prevent* work is intended to deal with all kinds of terrorist threats to the UK. The most significant of these threats is currently from terrorist organisations in Syria and Iraq, and Al Qa'ida associated groups. But terrorists associated with the extreme right also pose a continued threat to our safety and security.

10. Islamist extremists regard Western intervention in Muslim-majority countries as a 'war with Islam', creating a narrative of 'them'and'us'. Their ideology includes the uncompromising belief that people cannot be both Muslim and British, and that Muslims living here should not participate in our democracy. Islamist extremists specifically attack the

principles of civic participation and social cohesion. These extremists purport to identify grievances to which terrorist organisations then claim to have a solution.

11. The white supremacist ideology of extreme right-wing groups has also provided both the inspiration and justification for people who have committed extreme right-wing terrorist acts.

12. In fulfilling the duty in section 26 of the Act, we expect all specified authorities to participate fully in work to prevent people from being drawn into terrorism. How they do this, and the extent to which they do this, will depend on many factors, for example, the age of the individual, how much interaction they have with them, etc. The specified authorities in Schedule 6 to the Act are those judged to have a role in protecting vulnerable people and/or our national security. The duty is likely to be relevant to fulfilling other responsibilities such as the duty arising from section 149 of the Equality Act 2010.

13. This guidance identifies best practice for each of the main sectors and describes ways in which they can comply with the duty. It includes sources of further advice and provides information on how compliance with the duty will be monitored.

## C. A risk-based approach to the *Prevent* duty

14. In complying with the duty all specified authorities, as a starting point, should demonstrate an awareness and understanding of the risk of radicalisation in their area, institution or body. This risk will vary greatly and can change rapidly; but no area, institution or body is risk free. Whilst the type and scale of activity that will address the risk will vary, all specified authorities will need to give due consideration to it.

15. There are three themes throughout the sector-specific guidance, set out later in this document: effective leadership, working in partnership and appropriate capabilities.

### Leadership

16. For all specified authorities, we expect that those in leadership positions:

- establish or use existing mechanisms for understanding the risk of radicalisation;
- ensure staff understand the risk and build the capabilities to deal with it;
- communicate and promote the importance of the duty; and
- ensure staff implement the duty effectively.



### Working in partnership

17. Prevent work depends on effective partnership. To demonstrate effective compliance with the duty, specified authorities must demonstrate evidence of productive co-operation, in particular with local Prevent co-ordinators, the police and local authorities, and co-ordination through existing multi-agency forums, for example Community Safety Partnerships.

### Capabilities

18. Frontline staff who engage with the public should understand what radicalisation means and why people may be vulnerable to being drawn into terrorism as a consequence of it. They need to be aware of what we mean by the term “extremism” and the relationship between extremism and terrorism (see section B, above).

19. Staff need to know what measures are available to prevent people from becoming drawn into terrorism and how to challenge the extremist ideology that can be associated with it. They need to understand how to obtain support for people who may be being exploited by radicalising influences.

20. All specified authorities subject to the duty will need to ensure they provide appropriate training for staff involved in the implementation of this duty. Such training is now widely available.

### Sharing information

21. The *Prevent* programme must not involve any covert activity against people or communities. But specified authorities may need to share personal information to ensure, for example, that a person at risk of radicalisation is given appropriate support (for example on the Channel programme). Information sharing must be assessed on a case-by-case basis and is

governed by legislation. To ensure the rights of individuals are fully protected, it is important that information sharing agreements are in place at a local level. When considering sharing personal information, the specified authority should take account of the following:

- necessity and proportionality: personal information should only be shared where it is strictly necessary to the intended outcome and proportionate to it. Key to determining the necessity and proportionality of sharing information will be the professional judgement of the risks to an individual or the public;
- consent: wherever possible the consent of the person concerned should be obtained before sharing any information about them;
- power to share: the sharing of data by public sector bodies requires the existence of a power to do so, in addition to satisfying the requirements of the Data Protection Act 1998 and the Human Rights Act 1998;
- Data Protection Act and the Common Law Duty of Confidentiality: in engaging with non-public bodies, the specified authority should ensure that they are aware of their own responsibilities under the Data Protection Act and any confidentiality obligations that exist.

22. There may be some circumstances where specified authorities, in the course of *Prevent*-related work, identify someone who may already be engaged in illegal terrorist-related activity. People suspected of being involved in such activity must be referred to the police.

## D. Monitoring and enforcement

23. All specified authorities must comply with this duty and will be expected to maintain appropriate records to show compliance with their responsibilities and provide reports when requested.

### Central support and monitoring

24. The Home Office currently oversees *Prevent* activity in local areas which have been identified as priorities for this programme, and will provide central monitoring for the new duty. The Home Office shares management (with local authorities) of local *Prevent* co-ordinator teams.

25. The Home Office will:

- draw together data about implementation of *Prevent* from local and regional *Prevent* co-ordinators (including those in health, further and higher education), the police, intelligence agencies and other departments and inspection bodies where appropriate;
- monitor and assess *Prevent* delivery in up to 50 *Prevent* priority areas;
- maintain contact with relevant departments and escalate issues to them and inspectorates where appropriate;
- support the *Prevent* Oversight Board, chaired by the Minister for Immigration and Security, which may agree on further action to support implementation of the duty.

26. Where a specified body is not complying with the duty, the *Prevent* Oversight Board may recommend that the Secretary of State use the power of direction under section 30 of the Act. This power would only be used when other options for engagement and improvement had been exhausted. The power would be used only to ensure the implementation and delivery of the *Prevent* duty. It is also capable of being exercised in respect of Welsh specified authorities, and would be used following consultation with Welsh Ministers.

### Inspection regime in individual sectors

27. Central support and monitoring will be supported by existing inspection regimes in specific sectors. Not every specified authority has a suitable inspection regime and in some areas it may be necessary to create or enhance existing regimes.

28. We will work with the Welsh Government on *Prevent* monitoring arrangements and provide support to Welsh inspection regimes as required.

### Schools and registered childcare providers (excluding higher and further education).

57. In England about eight million children are educated in some 23,000 publicly-funded and around 2,400 independent schools. The publicly-funded English school system comprises maintained schools (funded by local authorities), and academies (directly funded by central government). In Wales, over 450,000 children attend Local Authority maintained schools, and there are 70 independent schools.<sup>1</sup>

58. All publicly-funded schools in England are required by law to teach a broad and balanced curriculum which promotes the spiritual, moral, cultural, mental and physical development of pupils and prepares them for the opportunities, responsibilities and experiences of life. They must also promote community cohesion. Independent schools set their own curriculum but must comply with the Independent School Standards, which include an explicit requirement to promote fundamental British values as part of broader requirements relating to the quality of education and to promoting the spiritual, moral, social and cultural development of pupils. These standards also apply to academies (other than 16-19 academies), including free schools, as they are independent schools. 16-19 academies may have these standards imposed on them by the provisions of their funding agreement with the Secretary of State.

59. In Wales, independent schools set their own curriculum, but must comply with Independent Schools Standards made by the Welsh Ministers. These Standards also include a requirement to promote the spiritual, moral, social and cultural development of pupils.

60. Early years providers serve arguably the most vulnerable and impressionable members of society. The Early Years Foundation Stage (EYFS) accordingly places clear duties on providers to

keep children safe and promote their welfare. It makes clear that to protect children in their care, providers must be alert to any safeguarding and child protection issues in the child's life at home or elsewhere (paragraph 3.4 EYFS). Early years providers must take action to protect children from harm and should be alert to harmful behaviour by other adults in the child's life.

61. Early years providers already focus on children's personal, social and emotional development. The Early Years Foundation Stage framework supports early years providers to do this in an age appropriate way, through ensuring children learn right from wrong, mix and share with other children and value other's views, know about similarities and differences between themselves and others, and challenge negative attitudes and stereotypes.

62. This guidance should be read in conjunction with other relevant guidance. In England, this includes Working Together to Safeguard Children, Keeping Children Safe in Education and Information Sharing: Her Majesty's Government advice for professionals providing safeguarding services to children, young people, parents and carers.

<https://www.gov.uk/government/publications/working-together-to-safeguard-children>;

<https://www.gov.uk/government/publications/keeping-children-safe-in-education>;

63. In Wales it should be read alongside Keeping learners safe<sup>2</sup>:

<http://wales.gov.uk/docs/dcells/publications/150114-keeping-learners-safe.pdf>.

64. The authorities specified in paragraph 65 below are subject to the duty to have due regard to the need to prevent people from being drawn into terrorism. Being drawn into terrorism includes not just violent extremism but also non-violent extremism, which can create an

<sup>1</sup> Schools Census results on Wales.gov.uk

<sup>2</sup> Keeping Learners Safe includes advice on radicalisation on page 51

atmosphere conducive to terrorism and can popularise views which terrorists exploit. Schools should be safe spaces in which children and young people can understand and discuss sensitive topics, including terrorism and the extremist ideas that are part of terrorist ideology, and learn how to challenge these ideas. The Prevent duty is not intended to limit discussion of these issues. Schools should, however, be mindful of their existing duties to forbid political indoctrination and secure a balanced presentation of political issues. These duties are imposed on maintained schools by sections 406 and 407 of the Education Act 1996. Similar duties are placed on the proprietors of independent schools, including academies (but not 16-19 academies) by the Independent School Standards.

#### Education and childcare specified authorities

65. The education and childcare specified authorities in Schedule 6 to the Act are as follows:

- the proprietors<sup>3</sup> of maintained schools, non-maintained special schools, maintained nursery schools, independent schools (including academies and free schools) and alternative provision academies<sup>4</sup>
- pupil referral units
- registered early years childcare providers<sup>5</sup>
- registered later years childcare providers<sup>6</sup>
- providers of holiday schemes for disabled children
- persons exercising local authority functions under a direction of the Secretary of State when the local authority is performing inadequately; and
- persons authorised by virtue of an order made under section 70 of the Deregulation and Contracting Out Act 1994 to exercise a function specified in Schedule 36A to the Education Act 1996.

66. In fulfilling the new duty, we would expect the specified authorities listed above to demonstrate activity in the following areas.

#### Risk assessment

67. Specified authorities are expected to assess the risk of children being drawn into terrorism, including support for extremist ideas that are part of terrorist ideology. This should be based on an understanding, shared with partners, of the potential risk in the local area.

68. Specified authorities will need to demonstrate that they are protecting children and young people from being drawn into terrorism by having robust safeguarding policies in place to identify children at risk, and intervening as appropriate. Institutions will need to consider the level of risk to identify the most appropriate referral, which could include Channel or Children's Social Care, for example. These policies should set out clear protocols for ensuring that any visiting speakers – whether invited by staff or by children themselves – are suitable and appropriately supervised.

#### Working in partnership

69. In England, governing bodies and proprietors of all schools and registered childcare providers should ensure that their safeguarding arrangements take into account the policies and procedures of the Local Safeguarding Children Board (LSCB). In Wales, Local Service Boards provide strategic oversight.

<sup>3</sup> Reference in this guidance to the 'proprietor' in the case of a maintained school, maintained nursery school and non-maintained special school is a reference to the governing body of the school.

<sup>4</sup> Including early years and later years childcare provision in schools that is exempt from registration under the Childcare Act 2006

<sup>5</sup> Those registered under Chapter 2 or 2a of Part 3 of the Childcare Act 2006, including childminders

<sup>6</sup> Those registered under Chapter 3 or 2a of Part 3 of the Childcare Act 2006, including childminders



### Staff training

70. Specified authorities should make sure that staff have training that gives them the knowledge and confidence to identify children at risk of being drawn into terrorism, and to challenge extremist ideas which can be used to legitimise terrorism and are shared by terrorist groups. They should know where and how to refer children and young people for further help. Prevent awareness training will be a key part of this.

### IT policies

71. Specified authorities will be expected to ensure children are safe from terrorist and extremist material when accessing the internet in school, including by establishing appropriate levels of filtering.

### Monitoring and enforcement

72. The Office for Standards in Education, Children's Services and Skills (Ofsted) inspects the specified authorities in England listed above, with the exception of some privately funded independent schools. When assessing the effectiveness of schools, Ofsted inspectors already have regard to the school's approach to keeping pupils safe from the dangers of radicalisation and extremism, and what is done when it is suspected that pupils are vulnerable to these. Maintained schools are subject to intervention, and academies and free schools may be subject to termination of their funding agreement, if they are judged by Ofsted to require significant improvement or special measures, or if they fail to take the steps required by their local authority, or for academies or free schools by the Secretary of State pursuant to their funding agreement, as applicable, to address unacceptably low standards, serious breakdowns of management or governance or if the safety of pupils or staff is threatened. In Wales, all publicly funded schools are inspected by Estyn.

73. Ofsted inspects 16-19 academies under the Common Inspection Framework for further education and skills.

74. Privately funded independent schools in England are inspected by Ofsted or one of three independent inspectorates. In Wales, Estyn inspects independent schools. If they fail to meet the Independent School Standards, they must remedy the problem or be subject to regulatory action by the Department for Education or the Welsh Government, which could include de-registration (which would make their continued operation unlawful).

75. Early education funding regulations in England have been amended to ensure that providers who fail to promote the fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance for those with different faiths and beliefs do not receive funding from local authorities for the free early years entitlement.

76. Ofsted's current inspection framework for early years provision reflects the requirements in the Statutory Framework for the Early Years Foundation Stage.

This page is intentionally left blank

# Agenda Item 8

<b>Committee:</b>	<b>Date:</b>	
Board of Governors City of London Freemen's School	Monday, 5 October 2015	
<b>Subject:</b> Revenue Outturn 2014/15	<b>Public</b>	
<b>Joint report of:</b> The Chamberlain and the Headmaster	<b>For Information</b>	

## Summary

Total net income for 2014/15 was £1,982,000 compared to a budgeted position of £1,852,000 - representing an increase in net income of £130,000 (7%). This better than budget position was mainly due to reductions in premises related expenses of £220,000, partly offset by an increase in supplies and services expenditure of £78,000 as a result of the purchase of additional Music equipment following the opening of the new Music School.

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 £627,000 for 2014/15, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines the transfer to the Capital Reserve was £1,963,000.

Following this transfer, and after taking account of the planned expenditure funded from the reserve during the year (including the repayment of the internal loan of £284,417 provided by the City for the balance of funding for Phase 1 of the Masterplan), the balance in the Capital Reserve Fund as at 31 March 2015 was £758,471 (31 March 2014: £nil having been utilised in full as planned towards the funding of Phase 1 of the Masterplan).

## **Recommendations**

It is recommended that this revenue outturn report for 2014/15 is noted.

## Main Report

### **2014/15 Revenue Budget Position compared to Outturn**

1. Overall, net revenue income for 2014/15 was £1,982,000 compared to an agreed net income budget of £1,852,000, representing an increase in net income of £130,000. 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 CITY OF LONDON FREEMEN'S SCHOOL</b>			
Analysis of Service Expenditure	Budget	Actual	Variation (Better)/ Worse
	2014/15 £'000	2014/15 £'000	2014/15 £'000
<b>EXPENDITURE</b>			
Employees	7,810	7,799	(11)
Premises Related Expenses (note i)	1,579	1,359	(220)
Transport Related Expenses (note ii)	77	83	6
Supplies & Services (note iii)	1,914	1,992	78
Staff Subsidy	233	221	(12)
Scholarship Subvention Awards	493	493	-
Match Funding Awards	29	27	(2)
Support Services (Annex A)	669	638	(31)
Capital Charges (Annex A)	1,411	1,411	-
<b>Total Expenditure</b>	<b>14,215</b>	<b>14,023</b>	<b>(192)</b>
<b>INCOME</b>			
School Meals and Tuck Shop	(408)	(388)	20
School tuition fees	(12,257)	(12,252)	5
Other tuition fees	(233)	(220)	13
Boarding fees	(491)	(471)	20
Registration and Examination fees	(169)	(156)	13
Other (note iv)	(222)	(260)	(38)
City Support (Annex A)	(2,287)	(2,258)	29
<b>Total Income</b>	<b>(16,067)</b>	<b>(16,005)</b>	<b>62</b>
<b>TOTAL NET INCOME BEFORE TRANSFER TO CAPITAL RESERVE</b>	<b>(1,852)</b>	<b>(1,982)</b>	<b>(130)</b>
Transfer To Capital Reserve	1,892	1,963	71
<b>TOTAL NET EXPENDITURE/ (INCOME) AFTER TRANSFER TO CAPITAL RESERVE</b>	<b>40</b>	<b>(19)</b>	<b>(59)</b>
<b>BALANCE B/FWD 1 APRIL</b>	<b>(608)</b>	<b>(608)</b>	<b>-</b>
<b>BALANCE C/FWD 31 MARCH</b>	<b>(568)</b>	<b>(627)</b>	<b>(59)</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, rent, and interest.



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 £627,000 for 2014/15, with any excess transferred to the Capital Reserve Fund. In accordance with these guidelines, and the planned contribution required for the future funding of the Masterplan, the budget assumed a transfer to the Capital Reserve Fund of £1,892,000. However, due to the school benefiting from additional net income during the year, the transfer to the Capital Reserve was increased to £1,963,000 in accordance with the guidelines.
3. Following this transfer, and after taking account of the planned expenditure funded from the reserve during the year (including the repayment of the internal loan of £284,417 provided by the City for the balance of funding required at 31 March 2014 towards funding of Phase 1 of the Masterplan), the balance in the Capital Reserve Fund as at 31 March 2015 was £758,471 (31 March 2014: £nil having been utilised in full as planned towards the funding of Phase 1 of the Masterplan).
4. The main reasons for the variations summarised in Table 1, resulting in additional net income of £130,000, were:-

Lower expenditure of £192,000 mainly due to:-

- i) premises related expenditure of £220,000 which comprised;
  - rates of £117,000 due to the delay in completion of the new Music School and a refund in relation to other premises;
  - energy costs of £60,000 as a result of lower fuel costs; and
  - cleaning of £31,000 as provision for the new Music School and Boarding House was greater than required;
- ii) an increase in supplies and services expenditure of £78,000 mainly due to additional equipment, furniture and materials of £88,000 for the Music Department as a result of the new Music School being opened in September 2014; and
- iii) a reduction in support services of £31,000 as a result of the latest assessment of time spent on support services by departments. This is largely offset by a corresponding reduction in City Support of £29,000 as detailed at vi) below.

A decrease in income of £62,000, the main elements of which were:-

- iv) small reductions totalling £71,000 across a number of income headings including fees and charges for tuition, boarding, meals, registrations and examinations;
- v) an increase in other income of £38,000 largely due to additional lettings during the summer recess; and
- vi) a reduction in City Support of £29,000 principally offsetting the fall in support services expenditure of £31,000 as detailed at iii) above.

5. 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**

6. A summary of unrestricted, designated and restricted funds showing the movements in 2014/15 is attached at Annex B. As planned, total funds have increased - by £824,000 from £3,681,000 to £4,505,000. The main movements are within designated funds as follows:-
- i) an increase in the Capital Reserve Fund of £758,000 due to the planned contribution from revenue of £1,963,000 for future continued funding of the Masterplan offset by expenditure of £1,205,000 comprising:-
    - £609,000 on funding the Masterplan Phase 1 works (boarding house and music centre);
    - £312,000 on preliminary costs relating to the Masterplan Phase 2 (Swimming Pool and Main House); and
    - £284,000 in relation to the repayment of the internal loan that was provided by City's Cash during 2013/14.
  - ii) an increase in the Charitable Donations Fund of £21,000 following the transfer of school deposit income for places that were not accepted.
  - iii) an increase in the Repairs & Maintenance Fund of £16,000. This was due to the agreed contribution from revenue of £390,000 and interest earned of £18,000 partly offset by the planned expenditure of £392,000 in accordance with the agreed programme of works.
  - iv) income on the Foundation Bursary Fund of £56,000, (received from freedom ceremonies) exceeding the £43,000 expenditure from the fund.
7. Two new funds were established during the year as follows:-
- i) the Music Concert Series, that had an overdrawn balance of £385 as at 31 March 2015 and which will be cleared in the current year. This was set up to service Music at Ashtead Park – a concert series by professional Musicians utilising the new Music School; and
  - ii) the Comenius Project Fund, which had a balance of £4,099 as at 31 March 2015. This was established in order to receive funds from the Institute of Education to fund academic work which is being undertaken by a member of City of London Freemen's School teaching staff on their behalf, and from which related expenses are recouped.

### **Contacts:**

Steve Telling, Chief Accountant  
[steve.telling@cityoflondon.gov.uk](mailto:steve.telling@cityoflondon.gov.uk)

Sue Williams, Bursar  
[sue.williams@cityoflondon.gov.uk](mailto:sue.williams@cityoflondon.gov.uk)

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

	<b>Budget</b>	<b>Actual</b>	<b>Variation Increase/ (Decrease)</b>
	<b>2014/15 £'000</b>	<b>2014/15 £'000</b>	<b>2014/15 £'000</b>
<b>Support Services and Capital Charges</b>			
Information Systems (IS)	128	122	(6)
Staff Insurance	52	58	6
Other Insurance	57	57	-
Chamberlain	75	73	(2)
Comptroller & City Solicitor	13	11	(2)
Town Clerk	113	89	(24)
City Surveyor	40	41	1
Corporate & Democratic Core (CDC)	28	28	-
City of London Procurement Service	67	68	1
City Surveyor's Employee Recharge	96	91	(5)
Capital Financing Costs	1,411	1,411	-
<b>TOTAL SUPPORT SERVICES AND CAPITAL CHARGES</b>	<b>2,080</b>	<b>2,049</b>	<b>(31)</b>

<b>City Support</b>			
<b>Scholarships</b>			
General - see note i	(493)	(493)	-
2.5% Match Funding - see note ii	(29)	(27)	2
<b>Total Scholarships</b>	<b>(522)</b>	<b>(520)</b>	<b>2</b>
<b>Support Services and Capital Charges</b>			
Information Systems	(128)	(122)	6
Staff Insurance	(52)	(58)	(6)
Support Services	(269)	(242)	27
Capital Financing Costs	(1,375)	(1,375)	-
<b>Total Support Services and Capital Charges</b>	<b>(1,824)</b>	<b>(1,797)</b>	<b>27</b>
<b>Other</b>			
Listed Building Subvention	(48)	(48)	-
City Procurement savings - see note iii	107	107	-
<b>Total Other</b>	<b>59</b>	<b>59</b>	<b>-</b>
<b>TOTAL CITY SUPPORT</b>	<b>(2,287)</b>	<b>(2,258)</b>	<b>29</b>

## **SUPPORT SERVICES, CAPITAL CHARGES AND CITY SUPPORT**

### Notes:

- i) 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.
- ii) 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.
- iii) As a result of new contracts procured by City Procurement, 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 City Procurement savings will be offset by a reduction in income through the City's Support. Should a contract procured by the City Procurement 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.

**City of London Freemen's School**  
**2014/15 Movement of Funds**

	Balance 1st April 2014	Interest	Income	Expenditure	Transfer Between Funds	Balance 31st March 2015
<b>Unrestricted</b>						
Revenue Surplus	(607,940)	(27,579)	(15,977,672)	13,607,608	-	(3,005,583)
Repairs & Maintenance	-	-	-	-	390,000	390,000
Vehicle Replacement	-	-	-	-	25,000	25,000
Capital Reserve Fund	-	-	-	-	1,963,386	1,963,386
	(607,940)	(27,579)	(15,977,672)	13,607,608	2,378,386	(627,197)
<b>Designated</b>						
Drama Refurbishment Fund	(603)	(5)	-	-	-	(608)
Music Refurbishment Fund	(9,992)	(88)	(3,751)	825	-	(13,006)
Foundation Bursary Fund	(64,381)	(489)	(56,029)	43,169	-	(77,730)
General Scholarship Fund	(173,295)	(1,540)	-	5,714	-	(169,121)
Repairs & Maintenance	(2,126,466)	(17,744)	-	392,182	(390,000)	(2,142,028)
I/T	(54)	(1)	-	-	-	(55)
Retirement	(69,455)	(618)	-	-	-	(70,073)
Vehicle Purchase/Replacement Fund	(30,985)	(55)	-	37,343	(25,000)	(18,697)
Junior School	(3,612)	(30)	(6,480)	5,690	-	(4,432)
Capital Reserve	-	(24)	-	1,204,939	(1,963,386)	(758,471)
Headmaster's Fund Raising	(1,304)	(12)	-	-	-	(1,316)
Projects/Events	(55,310)	(492)	-	-	-	(55,802)
School Committee Funds	(4,414)	(41)	(800)	-	-	(5,255)
CLFS Development Fund	(11,582)	(25)	(13,551)	20,325	-	(4,833)
School Fund	(4,541)	(64)	(4,485)	1,765	-	(7,325)
Ashtead Park Swimming Club	552	(11)	(3,269)	0	-	(2,728)
Charitable Donations	(9,226)	(169)	(37,943)	17,260	-	(30,078)
Music Concert Series	-	-	(3,069)	3,454	-	385
Comenius Project	-	(28)	(5,373)	1,302	-	(4,099)
	(2,564,668)	(21,436)	(134,750)	1,733,968	(2,378,386)	(3,365,272)
<b>Restricted</b>						
Livery Match Funding	(173,647)	(1,432)	(26,928)	24,654	-	(177,353)
Livery scholarships & Prizes	(53,514)	-	(32,186)	31,619	-	(54,081)
	(227,161)	(1,432)	(59,114)	56,273	-	(231,434)
<b>Endowment</b>						
2-18 St Brides	(250,250)	-	-	-	-	(250,250)
Sale of land & property	(30,699)	-	-	-	-	(30,699)
	(280,949)	-	-	-	-	(280,949)
<b>Totals</b>	<b>(3,680,718)</b>	<b>(50,447)</b>	<b>(16,171,536)</b>	<b>15,397,849</b>	<b>-</b>	<b>(4,504,852)</b>

This page is intentionally left blank

**CITY OF LONDON FREEMEN'S SCHOOL**  
**COMPARISON OF 2014/15 REVENUE BUDGET WITH OUTTURN**

**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)	13,558	13,487	(71)
Other Income	222	260	38
City Corporation Support	2,287	2,258	(29)
<b>Total Income</b>	<b>16,067</b>	<b>16,005</b>	<b>(62)</b>
<b>EXPENDITURE</b>			
Employee Expenses	(7,810)	(7,799)	11
Premises Related Expenses	(1,189)	(969)	220
Transport Related Expenses	(52)	(58)	(6)
Supplies and Services	(1,914)	(1,992)	(78)
Staff subsidy and scholarships	(755)	(741)	14
Support Services	(669)	(638)	31
Capital Charges	(1,411)	(1,411)	0
<b>Total Expenditure</b>	<b>(13,800)</b>	<b>(13,608)</b>	<b>192</b>
<b>TRANSFERS</b>			
Transfer to Repairs and Maintenance Fund	(390)	(390)	0
Transfer to Vehicle Replacement Fund	(25)	(25)	0
Transfer to the Capital Reserve	(1,892)	(1,963)	(71)
<b>Total Transfers</b>	<b>(2,307)</b>	<b>(2,378)</b>	<b>(71)</b>
<b>NET INCOME</b>	<b>(40)</b>	<b>19</b>	<b>59</b>

This page is intentionally left blank



# Agenda Item 9

<b>Committee:</b>	<b>Date:</b>	
Board of Governors City of London Freemen's School	Monday, 5 October 2015	
<b>Subject:</b> Charities Administered in connection with (ICW) The City of London Freemen's School - 2014/15 Report and Financial Statements		<b>Public</b>
<b>Report of:</b> The Chamberlain		<b>For Decision</b>
<p>This report provides Governors with a copy of the 2014/15 Report and Financial Statements for the Charities Administered in connection with (ICW) The City of London Freemen's School (charity number: 312120), and an opportunity to consider whether part of the cash balance should be invested in the City of London Charities Pool.</p> <p>During the year ended 31 March 2015 total funds increased by £11,698 to £172,844 (2013/14: total funds increased by £9,238 to £161,146). This £11,698 comprised the following:-</p> <ul style="list-style-type: none"> <li>i) a net gain on investments of £7,798 (2013/14: a net gain of £6,130);</li> <li>ii) voluntary income of £6,450 (2013/14: £6,245);</li> <li>iii) investment income of £4,891 (2013/14: £4,275); offset by</li> <li>iv) expenditure of £7,441 (2013/14: £7,412) relating to 245 book prizes (2013/14: 247 book prizes).</li> </ul> <p>The cash balance held as at 31 March 2015 was £25,296 (2013/14: £71,394). The reduction in cash is due to £50,000 being invested in the City of London Charities Pool during 2014/15 as previously agreed by Governors. Expenditure from this fund over the previous three years has averaged £7,434 per annum. To provide an opportunity to earn potentially higher returns than interest on cash balances (0.89% for 2014/15 and estimated to be 0.5% in the current year), Governors are requested to consider investing a further proportion of the cash balance in the City of London Charities Pool.</p> <p>The investments are managed by Artemis Investment Management LLP and the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).</p> <p>As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%. A total of 30.6p (3.7%) per unit was distributed during the year (2013/14: 30.5p (3.9%)).</p>		

### **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 2015***

**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 2015**

<b>Contents</b>	<b>Page</b>
Trustee's Annual Report	2-6
Independent Auditor's Report	7-8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11-15

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

**Trustee's Annual Report for the year ended 31 March 2015**

**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 LLP 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**

The body corporate known as The City of London Corporation is the Trustee of Charities Administered in connection with (ICW) the City of London Freemen's School, acting through the Board of Governors of The City of London Freemen's School.

**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 245 book prizes during the year (2013/14: 247).

## 5. Financial Review

During the year ended 31 March 2015 total funds increased by £11,698 (2013/14: total funds increased by £9,238) to £172,844 (2013/14: £161,146). 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 £7,798 (2013/14: net gain of £6,130);
- ii) income of £11,341 (2013/14: £10,520) which comprised investment income of £4,891 (2013/14: £4,275) and voluntary income of £6,450 (2013/14: £6,245); and
- iii) expenditure of £7,441 (2013/14: £7,412) relating to 245 book prizes (2013/14: 247 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 21 July 2015.**

Roger 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 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 2015 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 trustee, 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 trustee 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 trustee 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 trustee is 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 145 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 Trustees' 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 31 March 2015 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 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 LLP*

**Moore Stephens LLP**

Statutory Auditor

150 Aldersgate Street  
London  
EC1A 4AB

*28 July 2015*

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

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

**Statement of Financial Activities for the year ended 31 March 2015**

	Note	Restricted Fund £	Endowment Fund £	Total 2014/15 £	Total 2013/14 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income		6,450	-	6,450	6,245
<b>Investment income</b>				<b>4,471</b>	<b>3,528</b>
Managed investment income		4,471	-	4,471	3,528
Interest receivable		420	-	420	747
<b>Total incoming resources</b>	3	<u>11,341</u>	-	<u>11,341</u>	<u>10,520</u>
<b>Resources expended</b>					
<b>Charitable activities</b>					
Scholarships and prizes awarded		7,441	-	7,441	7,412
<b>Total resources expended</b>	4	<u>7,441</u>	-	<u>7,441</u>	<u>7,412</u>
<b>Net incoming resources before other recognised gains</b>		3,900	-	<b>3,900</b>	<b>3,108</b>
<b>Other recognised gains</b>					
Net gain on revaluation	7	7,598	200	7,798	6,130
<b>Net movement in funds</b>		<u>11,498</u>	<u>200</u>	<u>11,698</u>	<u>9,238</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	9	148,034	13,112	161,146	151,908
<b>Total funds carried forward</b>	9	<u>159,532</u>	<u>13,312</u>	<u>172,844</u>	<u>161,146</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 2015**

	Note	2015 £	2014 £
<b>Fixed Assets</b>			
Managed Investments - 17,863 Charities Pool Units	7	147,548	89,752
<b>Current Assets</b>			
Cash at bank and in hand		25,296	71,394
<b>Total Assets</b>	8	172,844	161,146
 <b>The funds of the charity:</b>			
Restricted Fund		159,532	148,034
Endowment Fund		13,312	13,112
<b>Total funds</b>	9	172,844	161,146

Approved and signed for and on behalf of the Trustee

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




---

Dr Peter Kane  
Chamberlain of London  
21 July 2015

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

**Notes to the Financial Statements for the year ended 31 March 2015**

**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 2015**

**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:

	2014/15	2013/14
	£	£
<b>Voluntary Income</b>		
Donations	6,450	6,245
<b>Investment Income</b>		
Managed Investment Income	4,471	3,528
Interest Receivable	420	747
<b>Total Incoming Resources</b>	<b>11,341</b>	<b>10,520</b>

**Voluntary Income**

Voluntary income consists of donations from individuals amounting to £6,450 (2013/14: £6,245).

**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 £4,891 (2013/14: £4,275).

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

**Notes to the Financial Statements for the year ended 31 March 2015**

**4. Resources Expended**

Resources expended are analysed as follows:-

	2014/15	2013/14
	£	£
<b>Charitable Activities</b>		
Prizes Awarded	7,441	7,412
<b>Total Resources Expended</b>	<b>7,441</b>	<b>7,412</b>

**Charitable activities**

Charitable activities consist of 245 book prizes awarded to individuals amounting to £7,441 (2013/14: 247 book prizes amounting to £7,412).

**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 2015	Total 2014
	£	£	£	£
Market Value 1 April	86,640	3,112	<b>89,752</b>	83,622
Purchase of Charities Pool Units (1)	49,998	-	<b>49,998</b>	-
Net investment gains	7,598	200	<b>7,798</b>	6,130
<b>Market value 31 March</b>	<b>144,236</b>	<b>3,312</b>	<b>147,548</b>	89,752
<b>Cost when purchased</b>	<b>83,266</b>	<b>5,133</b>	<b>88,399</b>	38,401
Units in Charities Pool (Units)	17,462	401	<b>17,863</b>	11,566



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

**Notes to the Financial Statements for the year ended 31 March 2015**

**7. Investment Assets (continued)**

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

	2015 £	2014 £
Equities:		
UK	116,008	66,770
Overseas	21,991	17,214
Bonds: UK	3,665	2,493
Pooled Units: UK	4,756	1,160
Cash Held By Fund Manager	1,128	2,115
<b>Total Funds</b>	<b>147,548</b>	<b>89,752</b>

The majority of the charity's surplus funds are invested within 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 the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).

As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%.

- (1) As agreed by the Board of Governors of the City of London Freeman's School Board at their meeting on 7 October 2014, cash of £50,000 in the Charities Administered ICW The City of London Freeman's School be invested in The City of London Charities Pool. Accordingly, a total of 6,297 units were purchased at £7.94 per unit.

**8. Analysis of net assets by fund at 31 March 2015**

	Restricted Fund	Endowment Fund	Total 2015	Total 2014
	£	£	£	£
<b>Fixed Assets</b>				
Investments	144,236	3,312	147,548	89,752
<b>Total Fixed Assets</b>	144,236	3,312	147,548	89,752
Current Assets	15,296	10,000	25,296	71,394
<b>Total Net Assets</b>	<b>159,532</b>	<b>13,312</b>	<b>172,844</b>	<b>161,146</b>

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

**Notes to the Financial Statements for the year ended 31 March 2015**

**9. Movement of Funds during the year to 31 March 2015**

	Balance at 1 April 2014	Net Incoming Resources	Net gain on revaluation	Balance at 31 March 2015
	£	£	£	£
<b>Restricted Fund</b>	148,034	3,900	7,598	<b>159,532</b>
<b>Permanent Endowment Fund</b>	13,112	-	200	<b>13,312</b>
<b>Total Funds</b>	161,146	3,900	7,798	<b>172,844</b>

**Notes to the funds:**

**Restricted Fund**

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

**Permanent 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. Investment income from the Charities Pool in 2014/15 amounted to £4,471 (2013/14: £3,528).

<b>Committee:</b>	<b>Date:</b>
Board of Governors City of London Freemen's School	Monday, 5 October 2015
<b>Subject:</b> City of London Freemen's School Bursary Fund - 2014/15 Report and Financial Statements	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>
<p>This report provides Governors with a copy of the 2014/15 Report and Financial Statements for the City of London Freemen's School Bursary Fund (charity number: 284769), and an opportunity to consider whether part of the cash balance should be invested in the City of London Charities Pool.</p> <p>During the year ended 31 March 2015 total funds increased by £63,629 to £805,928 (2013/14: total funds increased by £65,704 to £742,299). This £63,629 comprised the following:-</p> <ul style="list-style-type: none"> <li>i) a net gain on investments of £42,910 (2013/14: a net gain of £36,205);</li> <li>ii) voluntary income of £16,636 (2013/14: £25,659);</li> <li>iii) investment income of £26,794 (2013/14: £23,356); offset by</li> <li>iv) expenditure of £22,711 (2013/14: £19,516) comprising three bursary awards amounting to £22,038 (2012/13: two bursary awards amounting to £19,068) and bursary administration costs of £673 (2013/14: £448).</li> </ul> <p>The cash balance held as at 31 March 2015 was £72,575 (2013/14: £135,856). The reduction in the cash balance is due to £85,000 being invested in the City of London Charities Pool during 2014/15 as previously agreed by Governors. Expenditure from this fund over the previous three years has averaged £14,150 per annum. To provide an opportunity to earn potentially higher returns than interest on cash balances (0.89% for 2014/15 and estimated to be 0.5% in the current year), Governors are requested to consider investing a further proportion of the cash balance in the City of London Charities Pool.</p> <p>The investments are managed by Artemis Investment Management LLP and the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).</p> <p>As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%. A total of 30.6p (3.7%) per unit was distributed during the year (2013/14: 30.5p (3.9%)).</p>	

### **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 2015***

**Charity Number: 284769**

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

## **Trustee's Annual Report and Financial Statements for the year ended 31 March 2015**

<b>Contents</b>	<b>Page</b>
Trustee's Annual Report	2-6
Independent Auditor's Report	7-8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Financial Statements	11-15

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Trustee's Annual Report for the year ended to 31 March 2015

### 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**

The body corporate known as The City of London Corporation is the Trustee of The City of London Freeman's School Bursary Fund, acting through the Board of Governors of The City of London Freeman's School.

#### **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 2014/15

The target for 2014/15 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. In line with this, three bursaries (2013/14: two bursaries) were awarded during the year amounting to £22,038 (2013/14: £19,068).

### 5. Financial Review

During the year ended 31 March 2015 total funds increased by £63,629 (2013/14: total funds increased by £65,704) to £805,928 (2013/14: £742,299). This movement comprised the following:-

- i) a net gain on investments of £42,910 (2013/14: a net gain of £36,205);
- ii) voluntary income of £16,636 (2013/14: voluntary income of £25,659);
- iii) investment income of £26,794 (2013/14: £23,356); and
- iv) expenditure on charitable activities of £22,711 (2013/14: £19,516) which was made up of three bursary awards (2013/14 two bursary awards) amounting to £22,038 (2013/14: £19,068) and bursary administration costs of £673 (2013/14: £448).

#### 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 2015/16 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 21 July 2015.**

**Roger 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 2015 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 trustee, 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 trustee 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 trustee 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 trustee is 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 145 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 Trustees' 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 31 March 2015 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

150 Aldersgate Street  
London  
EC1A 4AB

*28 July 2015*

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

## CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

### Statement of Financial Activities for the year ended 31 March 2015

	Note	Endowment Fund £	Total 2014/15 £	Total 2013/14 £
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income		16,636	<b>16,636</b>	25,659
Investment income				
Managed investment income		25,749	<b>25,749</b>	21,330
Interest receivable		1,045	<b>1,045</b>	2,026
<b>Total incoming resources</b>	3	<u>43,430</u>	<u><b>43,430</b></u>	<u>49,015</u>
<b>Resources expended</b>				
<b>Charitable activities</b>				
Bursaries awarded	4	22,038	<b>22,038</b>	19,068
Bursary administration	4 & 5	673	<b>673</b>	448
<b>Total resources expended</b>	4	<u>22,711</u>	<u><b>22,711</b></u>	<u>19,516</u>
<b>Net incoming resources before other recognised gains</b>		20,719	<b>20,719</b>	29,499
<b>Other recognised gains</b>				
Net gain on revaluation	7	42,910	<b>42,910</b>	36,205
<b>Net movement in funds</b>		63,629	<b>63,629</b>	65,704
<b>Reconciliation of funds</b>				
Total funds brought forward	9	742,299	<b>742,299</b>	676,595
<b>Total funds carried forward</b>	9	<u>805,928</u>	<u><b>805,928</b></u>	<u>742,299</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

### Statement of Financial Activities for the year ended 31 March 2015

	Note	Endowment Fund £	Total 2014/15 £	Total 2013/14 £
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income		16,636	16,636	25,659
Investment income				
Managed investment income		25,749	25,749	21,330
Interest receivable		1,045	1,045	2,026
<b>Total incoming resources</b>	3	43,430	43,430	49,015
<b>Resources expended</b>				
<b>Charitable activities</b>				
Bursaries awarded	4	22,038	22,038	19,068
Bursary administration	4 & 5	673	673	448
<b>Total resources expended</b>	4	22,711	22,711	19,516
<b>Net incoming resources before other recognised gains</b>		20,719	20,719	29,499
<b>Other recognised gains</b>				
Net gain on revaluation	7	42,910	42,910	36,205
<b>Net movement in funds</b>		63,629	63,629	65,704
<b>Reconciliation of funds</b>				
Total funds brought forward	9	742,299	742,299	676,595
<b>Total funds carried forward</b>	9	805,928	805,928	742,299

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 2015

	Note	2015 £	2014 £
<b>Fixed Assets</b>			
Managed Investments – 89,673 Charities Pool Units	7	<u>740,699</u>	<u>612,799</u>
<b>Current Assets</b>			
Cash at bank and in hand		72,575	135,856
<b>Creditors: amounts falling due within one year</b>	8	<u>(7,346)</u>	<u>(6,356)</u>
<b>Net Current Assets</b>	8	<u>65,229</u>	<u>129,500</u>
<b>Total Assets less Current Liabilities</b>		<u>805,928</u>	<u>742,299</u>
<b>The funds of the charity:</b>			
Endowment Fund		<u>805,928</u>	<u>742,299</u>
<b>Total funds</b>	9	<u>805,928</u>	<u>742,299</u>

Approved and signed for and on behalf of the Trustee

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



---

Dr Peter Kane  
Chamberlain of London  
21 July 2015



# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015

### 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:

	2014/15	2013/14
	£	£
<b>Voluntary Income</b>		
Donations	16,636	25,659
<b>Investment Income</b>		
Managed investment income	25,749	21,330
Interest received	1,045	2,026
<b>Total Incoming Resources</b>	<b>43,430</b>	<b>49,015</b>

**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 £26,794 (2013/14: £23,356).

### 4. Resources Expended

Resources expended are analysed as follows:

	2014/15	2013/14
	£	£
<b>Charitable Activities</b>		
Bursaries Awarded	22,038	19,068
Bursary Administration	673	448
<b>Total Resources Expended</b>	<b>22,711</b>	<b>19,516</b>

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015

### 4. Resources Expended (continued)

#### Charitable activities

Three bursary awards were made during the year (2013/14: two bursary awards were made during the year). 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 2014/15 amounted to £673 (2013/14: £448).

#### 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:

	<b>Endowment Fund</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Market Value 1 April	<b>612,799</b>	447,205
Purchase of Charities Pool units (1)	<b>84,990</b>	129,389
Net investment gains	<b>42,910</b>	36,205
<b>Market value 31 March</b>	<b>740,699</b>	612,799
<b>Cost when purchased</b>	<b>494,748</b>	409,758
Units in Charities Pool (Units)	<b>89,673</b>	78,969

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015

### 7. Investment Assets (continued)

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

	2015 £	2014 £
Equities:		
UK	582,365	455,886
Overseas	110,400	117,532
Bonds UK	18,398	17,019
Pooled Units: UK	23,875	7,921
Cash Held By Fund Manager	5,661	14,441
<b>Total Funds</b>	<b>740,699</b>	<b>612,799</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 the performance of the fund is measured against the fund manager benchmark (FTSE All Share Index). In addition the performance of the Fund is also measured against its peer group using the WM Charity Universe (ex-property).

As at 31 March 2015 the fund achieved a return of 10.5% compared to the FTSE All Share Index return of 6.6%. The WM Charity Universe return was 12.3% and the fund slightly underperformed this by 1.8%.

- (1) As agreed by the Board of Governors of the City of London Freemen's School Board at their meeting on 7 October 2014, cash of £85,000 in the City of London Freemen's School Bursary Fund be invested in The City of London Charities Pool. Accordingly, a total of 10,704 units were purchased at £7.94 per unit.

### 8. Analysis of Net Assets by Fund at 31 March 2015

	Endowment Fund	Total 2015	Total 2014
	£	£	£
<b>Fixed Assets</b>			
Investments	740,699	740,699	612,799
<b>Total Fixed Assets</b>	740,699	740,699	612,799
Current Assets	72,575	72,575	135,856
Current Liabilities (1)	(7,346)	(7,346)	(6,356)
<b>Net Current Assets</b>	65,229	65,229	129,500
<b>Total Assets</b>	805,928	805,928	742,299

- (1) Current liabilities represent bursaries awarded by the Trust for the Summer term 2015.

# CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

## Notes to the Financial Statements for the year ended 31 March 2015

### 9. Movement of Funds during the year to 31 March 2015

	Balance at 1 April 2014	Net Incoming Resources	Net Gain on revaluation	Balance at 31 March 2015
	£	£	£	£
<b>Endowment Fund:</b>				
Expendable	742,299	20,719	42,910	<b>805,928</b>
<b>Total Funds</b>	<b>742,299</b>	<b>20,719</b>	<b>42,910</b>	<b>805,928</b>

#### Notes to the funds:

##### Expendable 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 2014/15 amounted to £25,749 (2013/14: £21,330).

<b>Committee:</b>	<b>Date:</b>
Board of Governors of the City of London Freeman's School	5 October 2015
<b>Subject:</b>	<b>Public</b>
Report of Action Taken Between Meetings	
<b>Report of:</b>	<b>For Information</b>
Town Clerk	
<p><b>Summary</b></p> <p>In accordance with Standing Order 41(a), this report advises Members of an urgent decision taken by the Town Clerk, in consultation with the Chairman and Deputy Chairman, since the Committee's last meeting. A copy of the paperwork was sent to each Governor seeking their views and no adverse comments were received.</p> <p><b>Recommendation:</b> That the contents of the report be noted.</p>	

### Main Report

**1. Background**

Standing Orders 19 and 41(a) provide a mechanism for decisions to be taken between scheduled meetings of the Board of Governors of the City of London Freeman's School where, in the opinion of the Town Clerk, it is necessary for an urgent decision to be taken.

**2. Decisions taken under Urgency Procedures**

The following decision, in respect of the appointment of a co-opted Member, has been taken under Urgency Procedures (Standing Order No. 41(a)), since the last Board meeting:-

A new co-opted Governor, Nick Goddard, was proposed and all Members of the Board were sent supporting information and invited by email to indicate their views. Ten responses were received, all in favour of the proposal.

It was therefore agreed that Nick Goddard be appointed as a co-opted Governor of the Board of Governors of the City of London Freeman's School with immediate effect.

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank