

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

of

THE CITY OF LONDON SCHOOL BURSARY FUND

(charity number: 276654)

INCORPORATING

THE CITY OF LONDON SCHOOL SCHOLARSHIPS AND PRIZES FUND

(charity number: 276554-1)

**THE CITY OF LONDON SCHOOL BURSARY FUND
INCORPORATING
THE CITY OF LONDON SCHOOL SCHOLARSHIPS & PRIZES FUND**

**Trustee's Annual Report and Financial Statements
for the year ended 31 March 2012**

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**THE CITY OF LONDON SCHOOL BURSARY FUND
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THE CITY OF LONDON SCHOOL SCHOLARSHIPS & PRIZES FUND**

Trustee's Annual Report for the year ended to 31 March 2012

1. Reference and Administration Details

Charity Names:	The City of London School Bursary Fund 'charity1' incorporating: The City of London School Scholarships & Prizes Fund 'charity 2'.
Registered Charity Numbers:	The City of London School Bursary Fund: 276654 The City of London School Scholarships & Prizes Fund: 276554-1
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:	Deloitte LLP Chartered Accountants and Statutory Auditor 3 Victoria Square Victoria Street St Albans AL1 3TF

2. Structure, Governance and Management

The Governing Documents and constitution of the charity

The administration of The City of London School Bursary Fund (charity registration: 276554 – “charity 1”), incorporating The City of London School Scholarships & Prizes Fund (charity registration: 276554-1 “charity 2”) is set out in the governing Scheme approved by The Charity Commission for England Wales on 1 December 2011. This Scheme replaces the previous charitable trust deed dated 22 September 1978 for The City of London School Bursary Fund, and the various individual governing documents of The City of London School Scholarships & Prizes Fund.

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Trustee's Annual Report (continued)

Structure, Governance and Management (continued)

As part of the new Scheme, the Charity Commission approved the transfer on 1 December 2011 of the assets of 54 scholarships and prizes funds', with a combined value of £600,503, from The City of London School Scholarships & Prizes Fund (charity number: 276554-1 "charity 2") to The City of London School Bursary Fund (charity registration: 276554 "charity 1"). These scholarships and prizes funds' were largely no longer being awarded and the transfer was made in order that these funds could be put to appropriate use under the provisions of this charity's new Scheme.

This scheme further directs that The City of London School Scholarships & Prizes Fund (charity number: 276554-1 "charity 2") shall be treated as forming part of The City of London School Bursary Fund (charity registration: 276554 "charity 1") solely for the purpose of Part II (registration) and Part VI (accounting) of the Charities Act 1993.

Trustee

The body corporate known as The City of London Corporation is the Trustee of The City of London School Bursary Fund (charity registration: 276554 "charity 1") and The City of London School Scholarships & Prizes Fund (charity number: 276554-1 "charity 2"), acting through the Board of Governors of the City of London School.

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. The Bursary Committee are also Members of the City of London Corporation.

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.

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Trustee's Annual Report (continued)

Structure, Governance and Management (continued)

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

Object of Charity 1 – The City of London School Bursary Fund (charity registration: 276554)

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:-

- (1) would not be able to enter the School having been accepted; or
- (2) having commenced education at the School would not be able to continue their education at the School.

Object of Charity 2 – The City of London School Scholarships and Prizes Fund (charity number: 276554-1)

The object of the charity is to further the education (including physical training) of pupils attending the School, former pupils of the School or pupils of other schools with whom the School has cooperated under clause 7(11) of this Scheme, by the provision of scholarships, prizes or other suitable rewards or marks of distinction.

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

4. Achievements and Performance

Targets for 2011/12 and review of achievement

The targets for 2011/12 together with the outcomes were:

- 1) for The City of London School Bursary Fund (charity 1) to contribute towards the fees payable to the School of pupils who but for financial assistance, having commenced at the school, would be unable to continue at, or to enter the school having been accepted. This was achieved with four bursaries, representing four new awards, being awarded (2010/11: eight bursaries, including five new awards); and
- 2) for The City of London School Scholarships and Prizes Fund (charity 2) to assist children to study various subjects at the School and to assist in further education. The school allocated 259 prizes and scholarships during the year (2010/11: 287 prizes and scholarships).

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Trustee's Annual Report (continued)

5. Financial Review

Review of Financial Position

During the year ended 31 March 2012 total funds increased by £48,598 (2010/11: £54,550). This movement comprised the following:-

- i) investment income of £82,940 (2010/11: £86,844) and donations of £1,645 (2010/11: £1,290);
- ii) a net gain on investments of £52,036 (2010/11: a net gain of £69,381). The increase in the market value of the investments held in the Charities Pool reflects the general recovery in the UK and overseas stock markets, together with some relative outperformance achieved by the Fund Manager. The investments are managed by Artemis Investment Management Limited and in the year ended 31 December 2011 achieved a total return of 3.1%, which was a relative outperformance of 6.7% compared to its benchmark, the WM Unconstrained Charity Universe; and
- iii) expenditure from charitable activities of £88,023 (2010/11: £102,965) which was largely made up of 4 bursary awards and 259 scholarships & prizes (2010/11: eight bursary awards and 287 scholarships and 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 endowment funds 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. The income arising from these investments is distributed in accordance with the objectives outlined in paragraph 3.

Investment Policy

The charity's investments are held in units of The City of London Charities Pool (charity number: 1021138). 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.

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Trustee's Annual Report (continued)

6. Plans for Future Periods

The targets for 2012/13 are:

- i) for The City of London School Bursary Fund (charity 1), to contribute towards pupils' fees where financial hardship would cause the pupils to be unable to continue at the school; and
- ii) for The City of London School Scholarships and Prizes Fund (charity 2), to continue to assist children to study various subjects at the school or to assist in further education.

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)*.

The preparation of these accounts has taken advantage of the exemptions conferred by Financial Reporting Standard for Smaller Entities (FRSSE) where it can be applied to charity accounts and the concessions granted to smaller charities by the SORP (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.

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Trustee's Annual Report (continued)

Statement of Trustee's Responsibilities

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them 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. They are 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.

9. Adopted and signed for on behalf of the Trustee on 25 July 2012.

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

Raymond Michael Catt
Deputy Chairman of
Finance Committee

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON SCHOOL BURSARY FUND INCORPORATING THE CITY OF LONDON SCHOOL SCHOLARSHIPS AND PRIZES FUND

We have audited the financial statements of The City of London School Bursary Fund incorporating The City of London School Scholarships & Prizes Fund for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's Trustee, as a body, in accordance with section 144 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 the charity's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustee and auditor

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON SCHOOL BURSARY FUND INCORPORATING THE CITY OF LONDON SCHOOL SCHOLARSHIPS AND PRIZE FUNDS

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 Trustee's 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.

Deloitte LLP

Chartered Accountants and Statutory Auditor
St Albans, UK

Deloitte LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006 and consequently to act as the auditor of a registered charity.

**THE CITY OF LONDON SCHOOL BURSARY FUND
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THE CITY OF LONDON SCHOLARSHIPS & PRIZES FUND**

Statement of Financial Activities for the year ended 31 March 2012

	Notes	Unrestricted Fund £	Restricted Fund	Endowment Fund £	Total 2011/12 £	Total 2010/11 £
Incoming resources						
Incoming resources from generated funds						
Voluntary Income		-	-	1,645	1,645	1,290
Investment income		-	-	70,247	70,247	74,584
Interest receivable		-	-	12,693	12,693	12,260
Total incoming resources	3	-	-	84,585	84,585	88,134
Resources expended						
Charitable activities						
Bursaries awarded		-	-	43,500	43,500	50,270
Scholarships & prizes awarded				43,640	43,640	51,812
Support costs	5	-	-	883	883	883
Total resources expended	4	-	-	88,023	88,023	102,965
Net outgoing resources before transfers						
		-	-	(3,438)	(3,438)	(14,831)
Transfers						
Gross transfer between funds		(543,651)	(624,738)	1,168,389	-	-
Net outgoing resources before other recognised gains						
		(543,651)	(624,738)	1,164,951	(3,438)	(14,831)
Other recognised gains						
Net gains on revaluation	7	-	-	52,036	52,036	69,381
Net movement in funds		(543,651)	(624,738)	1,216,987	48,598	54,550
Reconciliation of funds						
Total funds brought forward	9	543,651	624,738	1,255,387	2,423,776	2,369,226
Total funds carried forward	9	-	-	2,472,374	2,472,374	2,423,776

All incoming resources and resources expended derive from continuing activities.

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Balance Sheet as at 31 March 2012

	Notes	2012 £	2011 £
Fixed Assets			
Managed Investments	7	1,829,921	1,777,885
Current Assets			
Cash at bank and in hand		659,853	659,991
Creditors: amounts falling due within one year		(17,400)	(14,100)
Net Current Assets		642,453	645,891
Total Assets less Current Liabilities		<u>2,472,374</u>	<u>2,423,776</u>
The funds of the charity:			
Unrestricted fund	9	-	543,651
Restricted Fund	9	-	624,738
Expendable endowment fund	9	2,258,230	817,040
Permanent Endowment fund	9	214,144	438,347
Total funds		<u>2,472,374</u>	<u>2,423,776</u>

Approved and signed for and on behalf of the Trustees.

The notes at pages 12 to 21 form part of these accounts.

Chris Bilsland
Chamberlain of London
5 September 2012

**THE CITY OF LONDON SCHOOL BURSARY FUND
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Notes to the Financial Statements for the year ended 31 March 2012

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 Charities Act 2011. The preparation of these accounts has taken advantage of the exemptions conferred by Financial Reporting Standard for Smaller Entities (FRSSE) where it can be applied to charity accounts and the concessions granted to smaller charities by the SORP (Accounting and Reporting by Charities Revised 2005).

The administration of The City of London School Bursary Fund (charity registration: 276554 – “charity 1”), incorporating The City of London School Scholarships & Prizes Fund (charity registration: 276554-1 “charity 2”) is set out in the governing Scheme approved by The Charity Commission for England Wales on 1 December 2011.

This scheme directs that The City of London School Scholarships & Prizes Fund (charity 2) shall be treated as forming part of The City of London School Bursary Fund (charity 1) solely for the purpose of Part II (registration) and Part VI (accounting) of the Charities Act 1993.

(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 the investment income is generally used in furtherance of the objectives of the Trust. The majority of the Charity's income is from investments in the Charities Pool administered by the City of London Corporation. The investment policy is set out in Section 5 of the Pool's Annual Report. In addition, a significant level of income comes from interest earned on cash balances. Cash is invested by the City of London Corporation in accordance with its investment policy.

(c) Managed Investments

Investments are pooled with those from other small City of London charities. Underlying Listed Company investments are valued at The Stock Exchange Trading System price at 31 March 2012. Other investments are valued annually at the middle market price at the close of business on 31 March 2012. 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 Trust's funds.

The net gain on investments shown in the Statement of Financial Activities represents the difference in the market value of investments between 1 April 2011 and 31 March 2012.

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Notes to the Financial Statements for the year ended 31 March 2012

Accounting Policies (continued)

(d) *Investment Income*

Investment income consists of distributions from The City of London Charities Pool (charity number: 1021138) and interest receivable on cash balances.

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

(e) *Resources Expended*

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

Scholarships and Prizes are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure.

(f) *Fund accounting*

The funds of the charity previously consisted of an Expendable Endowment fund, a Permanent Endowment fund, a Restricted fund and an Unrestricted fund. The new scheme governing The City of London School Bursary Fund incorporating The City of London School Scholarships & Prizes Fund, as approved by the Charities Commission in England & Wales on 1 December 2011, identifies all assets of the charity as either Expendable or Permanent Endowment.

(g) *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

The City of London 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.

The City of London School for Boys Scholarships and Prize Funds is a registered charity and as such its income and gains are potentially exempt from income tax to the extent that they are applied to its charitable purposes.

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Notes to the Financial Statements for the year ended 31 March 2012

3. Incoming Resources from Generated Funds

Incoming resources are analysed as follows for The City of London School Bursary Fund (*charity 1*) incorporating The City of London School Scholarships & Prizes Fund (*charity 2*):

	Charity 1 Bursary Fund	Charity 2 Scholar- ships & Prizes Funds	Total 2011/12	Total 2010/11
	£	£	£	£
Voluntary Income	-	1,645	1,645	1,290
Investment Income				
Managed Investment Income	52,355	17,892	70,247	74,584
Interest Receivable	4,678	8,015	12,693	12,260
Total Incoming Resources	57,033	27,552	84,585	88,134

Voluntary Income:

Donations totalling £1,645 were received during the year (2010/11: £1,290).

Investment Income:

Income for the year derived from the investments in The City of London Charities Pool noted in 1 (d) and interest received on cash balances.

4. Resources Expended

Resources expended are analysed as follows, for The City of London School Bursary Fund (*charity 1*) incorporating The City of London School Scholarships & Prizes Fund (*charity 2*):

	Charity 1 Bursary Fund	Charity 2 Scholar- ships & Prizes Funds	Total 2011/12	Total 2010/11
	£	£	£	£
Charitable Activities				
Scholarships & Prizes Awarded	8,150	35,490	43,640	51,812
Bursaries Awarded	43,500	-	43,500	50,270
Support Costs	883	-	883	883
Total Resources Expended	52,533	35,490	88,023	102,965

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Notes to the Financial Statements for the year ended 31 March 2012

Resources Expended on Charitable Activities (continued)

Charitable activities consist of:

- i) 259 scholarships and prizes awarded amounting to £43,640 (2010/11: 287 scholarships and prizes amounting to £51,812). The scholarships and prizes were awarded to individuals and therefore specific details cannot be disclosed;
- ii) four bursaries awarded during the year, amounting to £43,500 (2010/11: eight bursaries amounting to £50,270). The bursaries were awarded to individuals and therefore specific details cannot be disclosed; and
- iii) support costs charged by the City of London Corporation (see note 5 below) amounting to £883 (2010/11: £883).

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. However, there are some specific administration services concerned with Bursary Administration that are directly charged to the charity at a cost of £883 (2010/11: £883).

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

Trustee's 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 years.

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Notes to the Financial Statements for the year ended 31 March 2012

7. Investment Assets

The value and cost of investments for The City of London School Bursary Fund (*charity 1*) incorporating The City of London Scholarships & Prizes Fund (*charity 2*) comprises:

	Unrestricted Designated Fund	Restricted Fund	Endow - ment Fund	Total 2011/12	Total 2010/11
	£		£	£	£
<u>Charity 1 - Bursary Fund</u>					
Market Value 1 April	412,751	-	663,339	1,076,090	412,751
Transfer Assets (1)	-	-	296,569	296,569	-
Transfer Assets (2)	(412,751)	-	412,751	-	-
Net Investment Gains	-	-	46,768	46,768	663,339
Market Value 31 March	-	-	1,419,427	1,419,427	1,076,090
Units In Charities Pool	-	-	224,238	224,238	174,974
<u>Charity 2 - Scholarships and Prizes Funds</u>					
Market Value 1 April	-	263,448	438,347	701,795	674,408
Transfer Assets (1)	-	-	(296,569)	(296,569)	-
Transfer Assets (3)	-	(263,448)	263,448	-	-
Net Investment Gains	-	-	5,268	5,268	27,387
Market Value 31 March	-	-	410,494	410,494	701,795
Units In Charities Pool	-	-	64,849	64,849	114,113
Total:					
Market Value 31 March	-	-	1,829,921	1,829,921	1,777,885
Cost 31 March	-	-	1,263,550	1,263,550	1,263,550
Units in Charities Pool	-	-	289,087	289,087	289,087

The modest increase in the market value of the investments held in the Charities Pool reflects the relative outperformance achieved by the Fund Manager compared to the market returns, due mainly to favourable stock selection.

- (1) The new scheme governing The City of London School Bursary Fund incorporating The City of London School Scholarships and Prizes Fund as approved by The Charities Commission of England & Wales on 1 December 2011, directed that the funds of 54 scholarships and prizes funds' be transferred from The City of London Scholarships & Prizes Fund (*charity 2*) to The City of London School Bursary Fund (*charity 1*). These 54 scholarships and prizes funds' included 49,264 Charities Pool units that were transferred at a value of £6.02 per unit on the Scheme's effective date of 1 December 2011.

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Notes to the Financial Statements for the year ended 31 March 2012

Investment Assets (continued)

- (2) The new scheme identifies all assets of charity 1 as Endowment funds. The charity's Unrestricted Designated Funds of £412,751 as at 31 March 2011 have therefore been transferred to the Endowment fund.
- (3) The new scheme identifies all assets of charity 2 as Expendable Endowment Funds. The charity's Restricted Fund of £263,448 as at 31 March 2011 has therefore been transferred to the Expendable Endowment Fund.

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Notes to the Financial Statements for the year ended 31 March 2012

8. Analysis of Net Assets by Fund at 31 March 2012

The net assets for The City of London School Bursary Fund (*charity 1*) incorporating The City of London Scholarships & Prizes Fund (*charity 2*) comprises:

	Endowment Funds		2011/12	2010/11
	Permanent	Expendable		
	£	£	£	£
<u>Charity 1 - Bursary Fund</u>				
Investments as at 31 Mar 2012	-	1,107,586	1,107,586	1,076,090
Investments transferred from charity 2 on 1 Dec 2011 (1)	203,657	92,912	296,569	-
Net gain on revaluation of units transferred on 1 Dec 2011 to 31 Mar 2012	10,487	4,785	15,272	-
Fixed Assets	214,144	1,205,283	1,419,427	1,076,090
Current Assets	-	152,800	152,800	143,950
Current Assets transferred from charity 2 on 1 Dec 2011	-	303,934	303,934	-
Total Current Assets	-	456,734	456,734	143,950
Current Liabilities	-	(17,400)	(17,400)	(13,050)
Net Current Assets	-	439,334	439,334	130,900
Total Net Assets	214,144	1,644,617	1,858,761	1,206,990
<u>Charity 2 - Scholarships & Prizes Fund</u>				
Investments as at 31 Mar 2012	203,657	503,406	707,063	701,795
Investments transferred to charity 1 on 1 Dec 2011 (1)	(203,657)	(92,912)	(296,569)	-
Fixed Assets	-	410,494	410,494	701,795
Current Assets	-	507,053	507,053	516,041
Current Assets transferred to charity 1 on 1 Dec 2011	-	(303,934)	(303,934)	-
Total Current Assets	-	203,119	203,119	516,041
Current Liabilities	-	-	-	(1,050)
Net Current Assets	-	203,119	203,119	514,991
Total Net Assets	-	613,613	613,613	1,216,786
Total Assets	214,144	2,258,230	2,472,374	2,423,776

**THE CITY OF LONDON SCHOOL BURSARY FUND
INCORPORATING
THE CITY OF LONDON SCHOOL SCHOLARSHIPS & PRIZES FUND**

Notes to the Financial Statements for the year ended 31 March 2012

Analysis of Net Assets by Fund at 31 March 2012 (continued)

- (1) The new Scheme governing The City of London School Bursary Fund incorporating The City of London School Scholarships and Prizes Fund as approved by The Charities Commission of England & Wales on 1 December 2011, directed that the funds of 54 scholarships and prizes funds' be transferred from The City of London Scholarships & Prizes Fund (*charity 2*) to The City of London School Bursary Fund (*charity 1*).

These scholarships and prizes funds' were largely no longer being awarded and the transfer was made in order that these funds could be put to appropriate use under the provisions of this charity's new Scheme.

The value of the 54 Scholarships and Prize funds' amounted to £600,503 and comprised cash of £303,934 and 49,264 Charities Pool Units, which were valued at £296,569 when transferred on 1 December 2011. The Scheme directs that 11 of the 54 transferred scholarships and prizes funds' be maintained by The City of London School Bursary Fund (*charity 1*) as a Permanent Endowment. The Permanent Endowment of these 11 scholarships and prize funds' is represented by 33,830 charities pool units with a market value, when transferred on 1 December 2011, of £203,657. Since transfer, these units have been revalued to reflect their market value as at 31 March 2012 of £214,144.

The remaining 43 transferred scholarships and prize funds' are held as an Expendable Endowment represented by cash of £303,934 and 15,434 Charities Pool Units. At their transfer on 1 December 2011, these units were valued at £92,912. They have since been revalued to £97,697 as at 31 March 2012.

9. Movement of Funds during the year to 31 March 2012

The total movement in funds is shown below and separately for each charity:

Total Movement in Funds

	Balance at 1 April 2011	Net Outgoing Resources before transfers	Transfers between Funds [see note 2]	Net gains on revaluation	Balance at 31 March 2012
	£	£	£	£	£
Unrestricted - designated	412,751	-	(412,751)	-	-
Unrestricted - general	130,900	-	(130,900)	-	-
Restricted Fund	624,738	-	(624,738)	-	-
Expendable Endowment	817,040	(3,438)	1,403,079	41,549	2,258,230
Permanent Endowment [3]	438,347	-	(234,690)	10,487	214,144
Total Funds	2,423,776	(3,438)	-	52,036	2,472,374

**THE CITY OF LONDON SCHOOL BURSARY FUND
INCORPORATING
THE CITY OF LONDON SCHOOL SCHOLARSHIPS & PRIZES FUND**

Notes to the Financial Statements for the year ended 31 March 2012

Movement of Funds during the year to 31 March 2012 (continued)

Movement in Funds of Charity 1 – The City of London School Bursary Fund

	Balance at 1 April 2011	Net Incoming Resources before transfers [see note 1a]	Transfers between Funds [see note 2]	Net gains on revaluation	Balance at 31 March 2012
	£	£	£	£	£
Unrestricted - designated	412,751	-	(412,751)	-	-
Unrestricted - general	130,900	-	(130,900)	-	-
Expendable Endowment	663,339	605,003	339,994	36,281	1,644,617
Permanent Endowment [3]	-	-	203,657	10,487	214,144
Total Funds	1,206,990	605,003	-	46,768	1,858,761

Movement in Funds of Charity 2 – The City of London Scholarships & Prize Fund

	Balance at 1 April 2011	Net Outgoing Resources before transfers [see note 1b]	Transfers between Funds [see note 2]	Net gains on revaluation	Balance at 31 March 2012
	£	£	£	£	£
Restricted Fund	624,738	-	(624,738)	-	-
Expendable Endowment	153,701	(608,441)	1,063,085	5,268	613,613
Permanent Endowment [2&3]	438,347	-	(438,347)	-	-
Total Funds	1,216,786	(608,441)	-	5,268	613,613

Notes to the funds:

1a. Charity 1, The City of London School Bursary Fund – Net Incoming Resources before transfers

Total incoming resources of £605,003 comprise the value of funds transferred from Charity 2 on 1 December 2011 at £600,503 (see note 1 to item 8 on page E5-19), and a net surplus on operating activities of £4,500 for the year.

1b. Charity 2, The City of London School Scholarships and Prizes Fund – Net Outgoing Resources before transfers

Total outgoing resources of £608,441 comprise the value of funds transferred to Charity 1 on 1 December 2011 at £600,503 (see note 1 to item 8 on page E5-19), and a net loss on operating activities of £7,938 for the year.

**THE CITY OF LONDON SCHOOL BURSARY FUND
INCORPORATING
THE CITY OF LONDON SCHOOL SCHOLARSHIPS & PRIZES FUND**

Notes to the Financial Statements for the year ended 31 March 2012

Movement of Funds during the year to 31 March 2012 (continued)

2. Expendable Endowment

The Charity's new governing Scheme provides that all funds, other than those held as a permanent endowment as noted at 3 below, be held as expendable endowment. Therefore, funds previously classified as unrestricted or restricted have been transferred accordingly.

3. Permanent Endowment

The Charity's new governing Scheme identified that of the 54 scholarships & prizes funds' to be transferred from The City of London School Scholarships & Prizes Fund to The City of London School Bursary Fund, 11 of these scholarships and prizes funds' be preserved by The City of London School Bursary Fund in a Permanent Endowment Fund. These 11 funds comprise 33,830 Charities Pool units which, when transferred on 1 December 2011, were valued at £203,657. Since their transfer, they have been revalued to £214,144 31 March 2012.

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 City of London School Bursary Fund. 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.