

***CITY OF LONDON SCHOOL  
EDUCATION TRUST  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012***

***Charity Number: 1118571***

# CITY OF LONDON SCHOOL EDUCATION TRUST

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

| <b>Contents</b>                   | <b>Page</b> |
|-----------------------------------|-------------|
| Trustee's Annual Report           | 2-5         |
| Independent Auditor's Report      | 6-7         |
| Statement of Financial Activities | 8           |
| Balance Sheet                     | 9           |
| Notes to the Financial Statements | 10-12       |

# CITY OF LONDON SCHOOL EDUCATION TRUST

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

### 1. Reference and Administrative Details

|                            |  |
|----------------------------|--|
| Charity Name:              | City of London School Education Trust  |
| Registered Charity Number: | 1118571  |
| Principal Address:         | Guildhall,<br>London, EC2P 2EJ   |
| Trustees:                  | The Mayor, Commonalty and Citizens of City of<br>London  |
| Chief Executive:           | The Town Clerk of the City of London Corporation   |
| Treasurer and Banker:      | The Chamberlain of London  |
| Solicitor:                 | The Comptroller and City Solicitor   |
| Auditor:                   | Deloitte LLP<br>Chartered Accountants and Registered Auditor<br>3 Victoria Square<br>Victoria Street<br>St Albans<br>AL1 3TF |

### 2. Structure, Governance and Management

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

The constitution of this Trust is set out in the governing document dated 27 March 2007.

#### **Trustee selection methods**

The Finance Committee of the City of London Corporation administers the Trust on behalf of the Trustee. This committee comprises Aldermen and Common Councilmen elected to the City of London Corporation who are appointed to this committee in accordance with the usual procedures of committee membership of the City of London Corporation.

#### **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 9 to the Financial Statements.

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report (continued)

### Structure, Governance and Management (continued)

#### 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 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 objects of the Trust are:

- (1) To advance the education of pupils of the City of London School (the School), children and young people who are not pupils of the School, in particular but not exclusively by providing or assisting in the provision of facilities for education, including social and physical education and education in music and arts; and
- (2) To provide or assist in the provision, in the interests of social welfare, of facilities for recreation and other leisure-time occupation for individuals who have the need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public benefit at large, with the aim of improving their condition of life.

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

### 4. Achievements and Performance

During the year, new LED lights and other equipment was purchased for the School's Theatre at a cost of £7,463 (2010/11: £nil).

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report (continued)

### 5. Financial Review

#### Review of Financial Position

During the year ended 31 March 2012 total funds decreased by £6,905 (2010/11: increase of £582) to £23,359 (2010/11: £30,264). This reduction related to expenditure on new LED lights and other equipment for the School's Theatre of £7,463, which was partly offset by investment income of £558 (2010/11: expenditure of £nil and investment income of £582). No donations were received during 2011/12 (2010/11: nil).

#### Going Concern

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

#### Reserves Policy

The Trust currently has only a restricted fund relating to the refurbishment of the School's theatre which will be applied towards expenditure as it is incurred. Future expenditure will be dependent upon the nature of the income received by the Trust.

#### Investment Policy

The charity's funds are currently held in cash. Funds which are not required for immediate use (including those which will be required for use at a future date) are placed in interest earning deposits.

### 6. Plans for future periods

The target for 2012/13 is the advancement of education of pupils of the City of London School (the School), children and young people who are not pupils of the School, in particular but not exclusively by providing or assisting in the provision of facilities for education, including social and physical education and education in music and arts; and to provide or assist in the provision, in the interests of social welfare, of facilities for recreation and other leisure-time occupation for individuals who have the need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public benefit at large, with the aim of improving their condition of life.

### 7. The Financial Statements

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

- **Statement of Financial Activities** showing all incoming resources 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)*.

Advantage has been taken in the preparation of these accounts of the exemptions conferred by Financial Reporting Standard for Smaller Entities (FRSSE) where it can be applied to charity

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report (continued)

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, subject to any material departures disclosed and explained in the financial statements; 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 enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. 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.

### 9. Adopted and signed for on behalf of the Trustee.

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 CITY OF LONDON EDUCATION TRUST CHARITY**

We have audited the financial statements of City of London Education Trust for the year ended 31 March 2012 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes 1 to 9. 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 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 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 TRUSTEES OF CITY OF LONDON  
EDUCATION TRUST CHARITY (CONTINUED)**

**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.



# CITY OF LONDON SCHOOL EDUCATION TRUST

## Statement of Financial Activities for the year ended 31 March 2012

|  | Notes | Restricted Fund |               |
|--|-------|-----------------|---------------|
|  |       | 2011/12         | 2010/11       |
|  |       | £               | £             |
| <b>Incoming Resources</b>                      |       |                 |               |
| <b>Incoming resources from generated funds</b> |       |                 |               |
| Investment income                              |       | 558             | 582           |
| <b>Total incoming resources</b>                | 3     | <u>558</u>      | <u>582</u>    |
| <b>Resources expended</b>                      |       |                 |               |
| Charitable activities                          |       | 7,463           | -             |
| <b>Total resources expended</b>                | 4     | <u>7,463</u>    | <u>-</u>      |
| <b>Net movement in funds</b>                   |       | (6,905)         | 582           |
| <b>Reconciliation of funds</b>                 |       |                 |               |
| Total funds brought forward                    | 8     | <u>30,264</u>   | 29,682        |
| <b>Total funds carried forward</b>             | 8     | <u>23,359</u>   | <u>30,264</u> |

All operations are continuing.

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Balance Sheet as at 31 March 2012

|                                  | Notes | 2012<br>£    | 2011<br>£ |
|----------------------------------|-------|--------------|-----------|
| <b>Current Assets</b>            |       |              |           |
| Cash at bank and in hand         |       | 23,359       | 30,264    |
| <b>Net Current Assets</b>        |       | <hr/> 23,359 | 30,264    |
| <b>The funds of the charity:</b> |       |              |           |
| Restricted fund                  | 8     | 23,359       | 30,264    |
| <b>Total Funds</b>               |       | <hr/> 23,359 | 30,264    |

Approved and signed for and on behalf of the Trustee

The notes at pages 10 to 12 form part of these financial statements.

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Chris Bilsland  
Chamberlain of London  
5 September 2012

# CITY OF LONDON SCHOOL EDUCATION TRUST

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

### 1. Accounting Policies

The following accounting policies have been applied consistently 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)*, under the historical cost accounting rules and in accordance with applicable United Kingdom accounting standards. Advantage has been taken in the preparation of these accounts 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).

#### (b) *Going Concern*

The Trust's future funding will arise from interest receivable on cash balances and donations. The Trust is considered a going concern for the foreseeable future because Trustee has due regard to the level of cash balances invested and the infrequent nature of voluntary donations and plan activities accordingly. Cash balances are invested by the City of London Corporation in accordance with its investment policy.

#### (c) *Investment Income*

Investment income consists of interest on cash balances.

#### (d) *Fund Accounting*

The funds of the charity consist of a restricted donation. The restricted fund holds the original donation of the charity and any undistributed annual income carried forward for use in future years.

#### (e) *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 Education Trust 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 consist of income derived from interest received on cash balances of £558 (2010/11: £582). No donations were received in the year (2010/11: nil).

### 4. Resources Expended

Expenditure of £7,463 was incurred during 2011/12 on new LED lights and other equipment for the School's Theatre (2010/11: £nil).

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Notes to the Financial Statements for the year ended 31 March 2012 (continued)

### 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.

#### Auditors' remuneration and fees for external financial services

The City of London Corporation's external auditors audit this charity as one of the numerous charities administered by the City Corporation. The City 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 their 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.

### 7. Analysis of Net Assets by Fund at 31 March 2012

|                         | <b>Restricted<br/>Fund<br/>2012</b> | Restricted<br>Fund<br>2011 |
|-------------------------|-------------------------------------|----------------------------|
|                         | £                                   | £                          |
| Current Assets          | 23,359                              | 30,264                     |
| <b>Total Net Assets</b> | <b>23,359</b>                       | 30,264                     |

### 8. Movement of Funds during the year to 31 March 2012

|                    | <b>Balance at 1<br/>April 2011</b> | <b>Net Incoming<br/>Resources</b> | <b>Net<br/>gains/(losses)<br/>on revaluation</b> | <b>Balance at 31<br/>March 2012</b> |
|--------------------|------------------------------------|-----------------------------------|--|-------------------------------------|
|                    | £                                  | £                                 | £  | £                                   |
| Restricted Fund    | 30,264                             | (6,905)                           | -  | <b>23,359</b>                       |
| <b>Total Funds</b> | 30,264                             | (6,905)                           | -  | <b>23,359</b>                       |

#### Notes to the Funds

##### Restricted Fund

The restricted fund was set up with a donation towards the refurbishment of the School's theatre. It is intended that the Trust will use its remaining reserves to assist in future theatre refurbishment projects.

# CITY OF LONDON SCHOOL EDUCATION TRUST

## Notes to the Financial Statements for the year ended 31 March 2012 (continued)

### 9. 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. These Trusts do not undertake transactions with the City of London School Education Trust.

A full list of these Trusts is available on application to the Chamberlain of London.