

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

of

THE CITY OF LONDON SCHOOL BURSARY FUND

(charity number: 276654)

INCORPORATING

THE CITY OF LONDON SCHOOL SCHOLARSHIPS AND PRIZES FUND

(charity number: 276654-1)

**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 2016**

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

Trustee’s Annual Report for the year ended to 31 March 2016

1. Reference and Administration Details

| | |
|-----------------------------|--|
| Charity Names: | The City of London School Bursary Fund ‘charity 1’ 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: 276654-1 |
| 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: | Moore Stephens LLP Chartered Accountants and Statutory Auditor 150 Aldersgate Street London EC1A 1AB |

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: 276654 – “charity 1”), incorporating The City of London School Scholarships & Prizes Fund (charity registration: 276654-1 “charity 2”) is set out in the governing Scheme approved by The Charity Commission for England and Wales on 1 December 2011. This Scheme replaced 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)

2. Structure, Governance and Management (continued)

This scheme further directs that The City of London School Scholarships & Prizes Fund (charity number: 276654-1 "charity 2") shall be treated as forming part of The City of London School Bursary Fund (charity registration: 276654 "charity 1") solely for the purpose of Part II (registration) and Part VI (accounting) of the Charities Act 2011.

Trustee

The body corporate known as The City of London Corporation is the Trustee of The City of London School Bursary Fund (charity registration: 276654 "charity 1") and The City of London School Scholarships & Prizes Fund (charity number: 276654-1 "charity 2"), acting through the Board of Governors of the City of London 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 The City of London School Bursary Fund incorporating The City of London School Scholarships & Prizes Fund.

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 Corporation 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 11 to the Financial Statements.

Risk identification

The Trustee is committed to a programme of risk management as an element of the Trustee's 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.

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Trustee's Annual Report (continued)

3. Objectives and Activities for the Public Benefit

Object of Charity 1 – The City of London School Bursary Fund (charity registration: 276654)

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: 276654-1)

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. Targets, Achievements and Performance for 2015/16

- 1) The aim for the City of London School Bursary Fund (charity 1) during 2015/16 was to continue 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. 2 bursaries (2014/15: two bursaries) were awarded during the year amounting to £22,329 (2014/15: £21,470). The Fund also contributed a total of £3,180 during 2015/16 (2014/15: £9,445) towards the costs of uniforms, school trips etc. for pupils at the School who are in receipt of bursaries from other sources which cover all of their school tuition fees; and
- 2) The aim for the City of London School Scholarships and Prizes Fund (charity 2) during 2015/16 was to continue to assist children to study various subjects at the School and to assist in further education. In line with this aim, the school successfully allocated 306 prizes and scholarships during the year (2014/15: 295 prizes and scholarships) amounting to £21,116 (2014/15: £43,042)

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Trustee's Annual Report (continued)

5. Financial Review

During the year ended 31 March 2016 total funds decreased by £29,241 (2014/15: increased by £243,688). This movement comprised the following:-

- i) a net loss on investments of £171,156 (2014/15: a net gain of £182,080);
- ii) donations and legacies of £77,489 (2014/15: £20,280) and investment income of £111,372 (2014/15: £115,285); and
- iii) expenditure on charitable activities of £46,919 (2014/15: £73,957 which was largely made up of 2 bursary awards and 306 scholarships & prizes (2014/15: 2 bursary awards and 295 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 restricted and 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 section 3.

Investment Policy

The charity's investments are held in units of The City of London Charities Pool. 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. 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 aims for 2016/17 are:

- i) for The City of London School Bursary Fund (charity 1) to continue to contribute towards pupils' fees, where financial hardship would cause the pupils to be unable to continue at the school, and to contribute to the cost of uniforms, school trips etc. for pupils from disadvantaged backgrounds; 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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2015. The financial statements 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.

8. Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with a the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2015.

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)

8. Statement of Trustee's Responsibilities (continued)

The Trustee is responsible for keeping proper accounting records that discloses with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

9. Adopted and signed for on behalf of the Trustee on 15 November 2016 *(to be considered by the Finance Committee on this date)*.

Jeremy Paul Mayhew MA MBA
Chairman of Finance Committee
Guildhall, London

Roger A.H. Chadwick
Deputy Chairman of
Finance Committee

Independent Auditor's Report to the Trustees 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 a & Prizes Fund for the year ended 31 March 2016 which are set out on pages 10 to 22. The financial reporting framework that has been applied in their preparation is applicable law and Section 1A "Small Entities" of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's trustees, 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 trustees 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 trustees 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 pages 6 to 7, the trustees are 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 Year End 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 The City of London School Bursary Fund incorporating The City of London School Scholarships and Prizes Fund (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 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.

Date

Moore Stephens LLP

Statutory Auditor
150 Aldersgate Street
London
EC1A 4AB

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

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Statement of Financial Activities for the year ended 31 March 2016

| | Note | Unrestricted Fund | Restricted Fund | Endowment Fund | Total Funds 2015/16 | Total Funds 2014/15 |
|------------------------------------|------|----------------------|--------------------|-------------------|------------------------------------|---------------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | | - | 57,498 | 19,991 | 77,489 | 20,280 |
| Income from investments | | | | | | |
| Managed investment income | | - | - | 108,039 | 108,039 | 111,539 |
| Interest receivable | | 824 | 779 | 1,730 | 3,333 | 3,746 |
| Total income and endowments | 3 | <u>824</u> | <u>58,277</u> | <u>129,760</u> | <u>188,861</u> | <u>135,565</u> |
| Expenditure on: | | | | | | |
| Charitable activities | | | | | | |
| Bursaries awarded | | 7,443 | - | 14,886 | 22,329 | 21,470 |
| Uniforms, school trips etc. | | - | - | 3,180 | 3,180 | 9,445 |
| Scholarships & prizes awarded | | - | 30 | 21,086 | 21,116 | 43,042 |
| Support costs - bursaries | 5 | - | - | 294 | 294 | - |
| Total expenditure | 4 | <u>7,443</u> | <u>30</u> | <u>39,446</u> | <u>46,919</u> | <u>73,957</u> |
| Net gains/(losses) on investments | 7 | - | - | (171,156) | (171,156) | 182,080 |
| Net income/(expenditure) | | <u>(6,619)</u> | <u>58,247</u> | <u>(80,842)</u> | <u>(29,214)</u> | <u>243,688</u> |
| Transfers between funds | | 0 | 0 | 0 | 0 | 0 |
| Other recognised gains/(losses) | | 0 | 0 | 0 | 0 | 0 |
| Net movement in funds | | <u>(6,619)</u> | <u>58,247</u> | <u>(80,842)</u> | <u>(29,214)</u> | <u>243,688</u> |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | 9 | <u>136,744</u> | <u>81,309</u> | <u>3,265,672</u> | <u>3,483,725</u> | <u>3,240,037</u> |
| Total funds carried forward | 9 | <u>130,125</u> | <u>139,556</u> | <u>3,184,830</u> | <u>3,454,511</u> | <u>3,483,725</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.

Note 10 to the financial statements provides a breakdown of 2014/15 financial activities by fund.

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Balance Sheet as at 31 March 2016

| | Note | 2016 | 2015 |
|---|------|------------------|------------------|
| | | £ | £ |
| Fixed Assets | | | |
| Managed Investments | 7 | <u>2,836,814</u> | <u>3,007,970</u> |
| Current Assets | | | |
| Cash at bank and in hand | | 626,381 | 487,938 |
| Creditors: amounts falling due within one year | 8 | <u>(8,684)</u> | <u>(12,183)</u> |
| Net Current Assets | | 617,697 | 475,755 |
| Total Assets less Current Liabilities | 8 | <u>3,454,511</u> | <u>3,483,725</u> |
| The funds of the charity | | | |
| Unrestricted Designated Fund | | 130,125 | 136,744 |
| Restricted Fund | | 139,556 | 81,309 |
| Expendable Endowment Fund | | 2,921,294 | 2,986,236 |
| Permanent Endowment Fund | | 263,536 | 279,436 |
| Total funds | 9 | <u>3,454,511</u> | <u>3,483,725</u> |

Approved and signed for and on behalf of the Trustee.

The notes at pages 12 to 22 form part of these accounts.

Dr Peter Kane
Chamberlain of London
15 November 2016

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Notes to the Financial Statements for the year ended 31 March 2016

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 accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these *accounts*. The financial statements have been prepared for the first time in accordance with the new Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2015 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Section 1A of FRS 102 is applicable for accounting periods beginning on or after 1 January 2016, but may be applied early to periods beginning on or after 1 January 2015, if such entities qualify as 'small entities'. The City of London School Bursary Fund Incorporating the City of London School Scholarships & Prizes Fund has taken the option to apply the standard early in the preparation of these financial statements.

The administration of The City of London School Bursary Fund (charity registration: 276654 – "charity 1"), incorporating The City of London School Scholarships & Prizes Fund (charity registration: 276654-1 "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 2011.

(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.

(c) Cash Flow Statement

The Trust has taken advantage of the exemption in FRS102 from the requirement to produce a statement of cash flows on the grounds that it is a small entity.

(d) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably in the charity's funds.

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Notes to the Financial Statements for the year ended 31 March 2016

1. Accounting Policies (continued)

(e) ***Investment income***

Investment income consists of distributions from the Charities Pool 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.

(f) ***Expenditure Recognition***

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

(g) ***Bursaries, Scholarships and Prizes awarded***

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

(h) ***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 gains/(losses) on investments at the balance sheet date are included.

(i) ***Fund Accounting***

The funds of the charities consist of an Unrestricted Designated Fund, a Restricted Fund and an Endowment Fund which comprises permanent and expendable funds.

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 2016

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 Scholarships & Prizes Fund | Total 2015/16 | Total 2014/15 |
|---------------------------------|------------------------------|---|--------------------------|------------------|
| | £ | £ | £ | £ |
| Donations and legacies | 18,841 | 58,648 | 77,489 | 20,280 |
| Investment Income | | | | |
| Managed Investment Income | 78,702 | 29,337 | 108,039 | 111,539 |
| Interest Receivable | 2,381 | 952 | 3,333 | 3,746 |
| Total Incoming Resources | 99,924 | 88,937 | 188,861 | 135,565 |

Donations and Legacies:

Donations totalling £77,489 were received during the year (2014/15: £20,280).

Investment Income:

Income for the year derived from the investments in The City of London Charities Pool amounting to £108,039 (2014/15: £111,539) noted in 1 (e) and interest received on cash balances of £3,333 (2014/15: £3,746).

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 Scholarships & Prizes Fund | Total 2015/16 | Total 2014/15 |
|---------------------------------|------------------------------|---|--------------------------|------------------|
| | £ | £ | £ | £ |
| Charitable Activities | | | | |
| Bursaries Awarded | 22,329 | - | 22,329 | 21,470 |
| Uniforms, school trips etc. | 3,180 | - | 3,180 | 9,445 |
| Scholarships & Prizes Awarded | 11,851 | 9,265 | 21,116 | 43,042 |
| Support Costs – bursaries | 294 | - | 294 | - |
| Total Resources Expended | 37,654 | 9,265 | 46,919 | 73,957 |

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Notes to the Financial Statements for the year ended 31 March 2016

4. Resources Expended (continued)

Charitable activities consist of:

- i) 2 bursaries (2014/15: two bursaries) were awarded during the year amounting to £22,329 (2014/15: £21,470). The bursaries were awarded to individuals and therefore specific details cannot be disclosed;
- ii) the fund contributed £3,180 towards the cost of uniforms, school trips etc. for pupils at the School (2014/15: £9,445);
- iii) 306 scholarships and prizes awarded amounting to £21,116 (2014/15: 295 scholarships and prizes amounting to £43,042). The scholarships and prizes were awarded to individuals and therefore specific details cannot be disclosed; and
- iv) support costs for bursary administration of £294 were charged by the City of London Corporation during the year (see note 5 below) (2014/15: £nil).

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. There are however some specific administration services concerned with Bursary Administration which are charged directly to the charities. The charge in 2015/16 amounted to £294 (2014/15: £nil).

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 year.

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Notes to the Financial Statements for the year ended 31 March 2016

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:

| | Endowment Fund | Total 2016 | Total 2015 |
|--|-------------------|-----------------------|---------------|
| | £ | £ | £ |
| <u>Charity1 – Bursary Fund</u> | | | |
| Market Value 1 April | 2,190,395 | 2,190,395 | 2,057,805 |
| Net Investment Gain | (124,635) | (124,635) | 132,590 |
| Market Value 31 March | 2,065,760 | 2,065,760 | 2,190,395 |
| Units in Charities Pool | 265,181 | 265,181 | 265,181 |
| <u>Charity 2 – Scholarships and Prizes Fund</u> | | | |
| Market Value 1 April | 817,575 | 817,575 | 768,085 |
| Net Investment Gain | (46,521) | (46,521) | 49,490 |
| Market Value 31 March | 771,054 | 771,054 | 817,575 |
| Units in Charities Pool | 98,980 | 98,980 | 98,980 |
| | | | |
| Total Market Value 31 March | 2,836,814 | 2,836,814 | 3,007,970 |
| | | | |
| Total Cost when purchased | 1,786,880 | 1,786,880 | 1,786,880 |
| Units in Charities Pool | 364,161 | 364,161 | 364,161 |

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

| | 2016 £ | 2015 £ |
|---------------------------|-------------------|-----------|
| Equities: | | |
| UK | 2,097,569 | 2,364,977 |
| Overseas | 431,595 | 448,331 |
| Bonds: UK | 75,947 | 74,715 |
| Pooled Units: UK | 117,878 | 96,957 |
| Cash Held By Fund Manager | 113,825 | 22,990 |
| Total Funds | 2,836,814 | 3,007,970 |

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Notes to the Financial Statements for the year ended 31 March 2016

7. Investment Assets (continued)

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 2016 the fund achieved a return of -1.1% compared to the FTSE All Share Index return of -3.9%. The WM Charity Universe return was -1.0% and the fund slightly underperformed this by 0.1%.

**THE CITY OF LONDON SCHOOL BURSARY FUND
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Notes to the Financial Statements for the year ended 31 March 2016

8. Analysis of Net Assets by Fund at 31 March 2016

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

| | Unrestricted Fund | Restricted Fund | Endowment Funds | | Total 2016 | Total 2015 |
|--|-------------------|-----------------|-----------------|------------|------------------|------------|
| | | | Permanent | Expendable | | |
| | £ | £ | £ | £ | £ | £ |
| <u>Charity 1 – Bursary Fund</u> | | | | | | |
| Investments - 31 March | - | - | 263,536 | 1,802,224 | 2,065,760 | 2,190,395 |
| Fixed Assets | - | - | 263,536 | 1,802,224 | 2,065,760 | 2,190,395 |
| Current Assets | 132,606 | - | - | 318,438 | 451,044 | 391,939 |
| Current Liabilities (1) | (2,481) | - | - | (6,203) | (8,684) | (11,849) |
| Net Current Assets | 130,125 | - | - | 312,235 | 442,360 | 380,090 |
| Total Net Assets | 130,125 | - | 263,536 | 2,114,459 | 2,508,120 | 2,570,485 |
| <u>Charity 2 – Scholarships & Prizes Fund</u> | | | | | | |
| Investments - 31 March | - | - | - | 771,054 | 771,054 | 817,575 |
| Fixed Assets | - | - | - | 771,054 | 771,054 | 817,575 |
| Current Assets | - | 139,556 | - | 35,781 | 175,337 | 95,999 |
| Current Liabilities (1) | - | - | - | - | - | (334) |
| Net Current Assets | - | 139,556 | - | 35,781 | 175,337 | 95,665 |
| Total Net Assets | - | 139,556 | - | 806,835 | 946,391 | 913,240 |
| Total Net Assets (charity 1 and 2) | 130,125 | 139,556 | 263,536 | 2,921,294 | 3,454,511 | 3,483,725 |

(1) Current liabilities amount to £8,684 and represent bursaries and scholarships and prizes awarded by the Trust for the Summer term 2016 (2014/15: £12,183).

**THE CITY OF LONDON SCHOOL BURSARY FUND
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Notes to the Financial Statements for the year ended 31 March 2016

9. Analysis of Net Assets by Fund at 31 March 2015

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

Total Movement in Funds

| | Fund Balance Brought Forward | Income | Expend-iture | Transfers | Gains and Losses | Fund Balances Carried Forward |
|-----------------------|-------------------------------------|----------------|-----------------|-----------|------------------|--------------------------------------|
| | £ | £ | | £ | | £ |
| Income Fund: | | | | | | |
| Unrestricted: | | | | | | |
| Designated (1) | 136,744 | 824 | (7,443) | - | - | 130,125 |
| Restricted (2) | 81,309 | 58,277 | (30) | - | - | 139,556 |
| Endowments: | | | | | | |
| Expendable (3) | 2,986,236 | 129,760 | (39,446) | - | (155,256) | 2,921,294 |
| Permanent (4) | 279,436 | - | - | - | (15,900) | 263,536 |
| Total Funds | 3,483,725 | 188,861 | (46,919) | - | (171,156) | 3,454,511 |

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

| | Fund Balance Brought Forward | Income | Expend-iture | Transfers | Gains and Losses | Fund Balances Carried Forward |
|----------------------|-------------------------------------|---------------|-----------------|-----------|------------------|--------------------------------------|
| | £ | £ | | | £ | £ |
| Income Fund: | | | | | | |
| Unrestricted: | | | | | | |
| Designated (1) | 136,744 | 824 | (7,443) | - | - | 130,125 |
| Endowments: | | | | | | |
| Expendable (3) | 2,154,305 | 99,100 | (30,211) | - | (108,735) | 2,114,459 |
| Permanent (4) | 279,436 | - | - | - | (15,900) | 263,536 |
| Total Funds | 2,570,485 | 99,924 | (37,654) | - | (124,635) | 2,508,120 |

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

| | Fund Balance Brought Forward | Income | Expend-iture | Transfers | Gains and Losses | Fund Balances Carried Forward |
|---------------------|-------------------------------------|---------------|----------------|-----------|------------------|--------------------------------------|
| | £ | £ | | | £ | £ |
| Income Fund: | | | | | | |
| Restricted (2) | 81,309 | 58,277 | (30) | - | - | 139,556 |
| Endowments: | | | | | | |
| Expendable (3) | 831,931 | 30,660 | (9,235) | - | (46,521) | 806,835 |
| Total Funds | 913,240 | 88,937 | (9,265) | - | (46,521) | 946,391 |

**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 2016

9. Analysis of Net Assets by Fund at 31 March 2015 (continued)

Notes to the funds:

1. Unrestricted Designated Fund

This relates to the bequest of from the estate of Rodney FitzGerald which is to be held as an unrestricted designated fund. The purpose of this fund is to provide support in the form of bursaries to students with sporting ability. Planned use comprises the distribution of bursary awards to students with sporting ability.

2. Restricted Fund

This relates to the bequest from the estate of Ronald Charles Sansom which is to be invested as a restricted fund. The purpose of this fund is to relieve poverty, of pupils who hold a scholarship or bursary, with the additional necessary costs associated with schooling. Planned use comprises the distribution of the income to relieve poverty of pupils who hold a scholarship or bursary, with the additional necessary costs associated with schooling.

3. Endowment Fund - Expendable

The Charity's governing Scheme identified that the property of all charities identified in Part 1 of Schedule 1 to the Scheme be held as expendable endowment by The City of London School Bursary Fund "charity 1", and the property of all charities identified in Schedule 2 to the Scheme be held as expendable endowment by The City of London School Scholarships and Prizes Fund "charity 2". The purpose of this fund is to provide support in the form of bursaries and other forms of financial assistance, and the provision of scholarships, prizes or other suitable rewards or marks of distinction in accordance with the objectives of the charity. Planned use comprises the award of bursaries and other forms of financial assistance, and the provision of scholarships, prizes or other suitable rewards or marks of distinction, with any surplus income carried forward to be used in subsequent years. Awards are funded by donations, legacies and any income generated from The City of London Charities Pool as a result of the investment of such donations.

4. Endowment Fund - Permanent

The Charity's governing Scheme identified that 11 scholarship and prize funds, as detailed in Part 2 of Schedule 1 to the Scheme, be held as permanent endowment by The City of London School Bursary Fund "charity 1". The permanent endowment of the 11 scholarship and prize funds comprises 33,830 Charities Pool units. The purpose of this fund is to maintain the capital base of the charity. Planned use comprises the investment of the original endowment to the charity in the City of London Charities Pool, and the recognition of any gains or losses on revaluation of the investments at their current market value.

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Notes to the Financial Statements for the year ended 31 March 2016

10. Statement of Financial Activities for the year ended 31 March 2015

| | Unrestricted Fund | Restricted Fund | Endowment Fund | Total Funds 2014/15 |
|------------------------------------|----------------------|--------------------|-------------------|------------------------|
| | £ | £ | £ | £ |
| Income and endowments from: | | | | |
| Donations and legacies | 90 | - | 20,190 | 20,280 |
| Managed investment income | - | - | 111,539 | 111,539 |
| Interest receivable | 1,256 | 728 | 1,762 | 3,746 |
| Total incoming resources | 1,346 | 728 | 133,491 | 135,565 |
| Expenditure on: | | | | |
| Charitable activities | | | | |
| Bursaries awarded | 7,157 | - | 14,313 | 21,470 |
| Uniforms, school trips etc. | 825 | - | 8,620 | 9,445 |
| Scholarships & prizes awarded | - | 1,686 | 41,356 | 43,042 |
| Support costs - bursaries | - | - | - | - |
| Total expenditure | 7,982 | 1,686 | 64,289 | 73,957 |
| Net gains/(losses) on investments | | | 182,080 | 182,080 |
| Net income/(expenditure) | (6,636) | (958) | 251,282 | 243,688 |
| Transfers between funds | 0 | 0 | 0 | 0 |
| Other recognised gains/(losses) | 0 | 0 | 0 | 0 |
| Net movement in funds | (6,636) | (958) | 251,282 | 243,688 |
| Reconciliation of funds | | | | |
| Total funds brought forward | 143,380 | 82,267 | 3,014,390 | 3,240,037 |
| Total funds carried forward | 136,744 | 81,309 | 3,265,672 | 3,483,725 |

The Statement of Financial Activities for 2014/15 is presented to provide comparative information for each fund in the 2015/16 Statement of Financial Activities on page 10.

11. Details of related parties and wider networks

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. Investment income from the Charities Pool in 2015/16 amounted to £108,039 (2014/15: £111,539).

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Notes to the Financial Statements for the year ended 31 March 2016

12. Transition to FRS 102

These financial statements for the year ended 31 March 2016 are the Charity's first financial statements that comply with Financial Reporting Standard 102 (FRS 102) 'the Financial Reporting Standard in the UK and Republic of Ireland'. The Charity's date of transition to FRS 102 is 1 April 2014. The Charity's last financial statements prepared in accordance with previous UK GAAP were for the year ended 31 March 2015.

The following table shows the difference between net income presented under the previous UK GAAP and the newly presented amounts under FRS 102 for the reporting period ended at 31 March 2015 (ie comparative information). The table also shows funds determined in accordance with the FRS 102 compared to funds determined in accordance with previous UK GAAP at both 1 April 2014 (the date of transition to FRS 102 – nil change) and 31 March 2015 (nil change).

There have been no changes in accounting policies made on first-time adoption of FRS 102.

| Group | Note | Funds as at 1 April 2014 | Net income for the year ended 31 March 2015 | Funds as at 31 March 2015 |
|--|-------------|-------------------------------------|--|--|
| | | £ | £ | £ |
| As previously stated under former UK GAAP | | 3,240,037 | 61,608 | 3,483,725 |
| Gains / (losses) on investments | a) | - | 182,080 | - |
| As stated in accordance with FRS 102 | | 3,240,037 | 243,688 | 3,483,725 |

Explanation of changes to previously reported net income:

- a) FRS 102 requires that gains/(losses) on investments are now treated as a component of net income. Under previous UK GAAP, gains/(losses) on investments were shown after net income as part of other recognised gains/(losses).