

***THE CITY OF LONDON SCHOOL  
EDUCATION TRUST  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016***

***Charity Number: 1118571***

# **Trustee's Annual Report and Financial Statements for the year ended 31 March 2016**

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# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report for the year ended 31 March 2016

### 1. Reference and Administrative Details

Charity Name:	The City of London School Education Trust
Registered Charity Number:	1118571
Principal Address:	Guildhall, London, EC2P 2EJ
Trustee:	The City of London Corporation
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:	Moore Stephens LLP Chartered Accountants and Statutory Auditor 150 Aldersgate Street London EC1A 4AB

### 2. Structure, Governance and Management

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

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

#### **Trustee**

The body corporate known as The City of London Corporation is the Trustee of The City of London School Education Trust, 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 Education Trust.

#### **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 CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report (continued)

### 2. Structure, Governance and Management (continued)

#### Related Parties

Details of any related party transactions are disclosed in note 9 to the Financial Statements.

#### Risk identification

The Trustee is committed to a programme of risk management as an element of their strategy to preserve the charity's assets, enhance productivity for service users and members of the public and protect its employees.

In order to embed sound practice a Risk Management Group has been established in the City of London Corporation to ensure that risk management policies are applied, that there is an ongoing review of risk management activity and that appropriate advice and support is provided to Members and officers.

The City of London Corporation has approved a strategic risk register for all of its activities. This register helps to formalise existing processes and procedures and enables the City of London Corporation to further embed risk management throughout the organisation.

A key risk register has been prepared for this charity and has been reviewed by the 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 expenditure on charitable activities amounted to £7,000 (2014/15: £408) on preliminary design works in relation to the refurbishment of the School's Library (2014/15: £408 on the purchase of a flute).

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Trustee's Annual Report (continued)

### 5. Financial Review

During the year ended 31 March 2016 total funds increased by £30 (2014/15: an increase of £363) to £6,060 (2014/15: £6,030). This was due to expenditure of £7,000 on preliminary design works in relation to the refurbishment of the School's Library, which was offset by voluntary income of £7,000 to cover the costs of this work and investment income of £30 (2014/15: expenditure of £408 on a new flute, which was partly offset by investment income of £45).

#### 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 only has a restricted fund which was initially set up with a donation in 2007 towards the refurbishment of the School's theatre. Since that time further donations have been received towards a variety of projects and activities in accordance with the objects of the Trust. 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 aims for 2016/17 are:

- (1) To continue 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 continue 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

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.

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## Trustee's Annual Report (continued)

- **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.

## 8. Statement of Trustee's Responsibilities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with 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, 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 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 Trustees 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

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## **Independent Auditor's Report to the Trustees of The City of London School Education Trust**

We have audited the financial statements of The City of London School Education Trust for the year ended 31 March 2016 which are set out on pages 8 to 13. 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 page 5, 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](http://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.

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Independent Auditor's Report to the Trustees of The City of London School Education Trust (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



# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Statement of Financial Activities for the year ended 31 March 2016

	Note	Restricted Fund	Total Funds 2015/16	Total Funds 2014/15
		£	£	£
<b>Income and endowments from:</b>				
<b>Donations and legacies</b>		7,000	<b>7,000</b>	-
<b>Income from investments</b>				
Managed investment income		-	-	-
Interest receivable		30	<b>30</b>	45
<b>Total income and endowments</b>	3	7,030	<b>7,030</b>	45
<b>Expenditure on:</b>				
<b>Charitable activities</b>	4	7,000	<b>7,000</b>	408
<b>Total expenditure</b>		7,000	<b>7,000</b>	408
<b>Net income/(expenditure)</b>		30	<b>30</b>	(363)
Transfers between funds		0	<b>0</b>	0
Other recognised gains/(losses)		0	<b>0</b>	0
<b>Net movement in funds</b>		30	<b>30</b>	(363)
<b>Reconciliation of funds</b>				
Total funds brought forward	8	6,030	<b>6,030</b>	6,393
<b>Total funds carried forward</b>	8	6,060	<b>6,060</b>	6,030

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.

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Balance Sheet as at 31 March 2016

	Note	2016 £	2015 £
<b>Current Assets</b>			
Cash at bank and in hand		5,060	5,030
Debtors		1,000	1,000
<b>Net current assets</b>	7	<u>6,060</u>	<u>6,030</u>
<b>The funds of the charity:</b>			
Restricted Fund		6,060	6,030
<b>Total funds carried forward</b>	8	<u>6,060</u>	<u>6,030</u>

Approved and signed for and on behalf of the Trustee

The notes at pages 10 to 13 form part of these financial statements.

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Dr Peter Kane  
Chamberlain of London  
15 November 2016

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

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

### 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 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 Educational Trust has taken the option to apply the standard early in the preparation of these financial statements.

(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 the Trustees have due regard to the level of cash balances invested and the infrequent nature of voluntary donations and plan activities accordingly.

(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.

(e) ***Investment Income***

Investment income consists of interest on cash balances, which are invested by the City of London Corporation as set out in Section 5 of the Annual Report.

(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) ***Fund Accounting***

The funds of the charity consist of restricted donations and interest earned on the cash balance.

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Notes to the Financial Statements for the year ended 31 March 2016 (continued)

### 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 donations of £7,000 which were received from one donor to fund the costs of preliminary design works in relation to the refurbishment of the school's library (2014/15: £ nil) and interest received on cash balances of £30 (2014/15: £45).

### 4. Resources Expended

Expenditure of £7,000 was incurred during 2015/16 (2014/15: £408) on preliminary design works in relation to the refurbishment of the School's Library (2014/15: £408 on the purchase of a flute).

### 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 auditor audits 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 Trustees received no remuneration or reimbursement of expenses during the current or previous year.

### 7. Analysis of Net Assets by Fund at 31 March 2016

	<b>Restricted Fund 2016</b>	<b>Restricted Fund 2015</b>
	<b>£</b>	<b>£</b>
Current Assets	<b>6,060</b>	6,030
<b>Total Net Current Assets</b>	<b>6,060</b>	6,030

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Notes to the Financial Statements for the year ended 31 March 2016 (continued)

### 8. Summary of Funds and Movements during the year to 31 March 2016

	<b>Fund balances brought forward</b>	Income	Expenditure	Transfers	Gains and losses	<b>Fund balances carried forward</b>
	£	£	£	£	£	£
<b>Restricted Fund</b>	6,030	7,030	(7,000)	-	-	<b>6,060</b>
<b>Total Funds</b>	6,030	7,030	(7,000)	-	-	<b>6,060</b>

#### Notes to the Funds:

##### Restricted Fund

The restricted fund was initially set up with a donation in 2007 towards the refurbishment of the School's theatre. The purpose of this fund is to receive further donations, and undertake works towards a variety of projects and activities, such as the preliminary design works in relation to the refurbishment of the School's Library during 2015/16. Planned use comprises undertaking similar projects in the future.

### 9. Details of related parties and wider networks

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.

# THE CITY OF LONDON SCHOOL EDUCATION TRUST

## Notes to the Financial Statements for the year ended 31 March 2016 (continued)

### 10. 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 that there was no difference between income and expenditure 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/ (expenditure) for the year ended 31 March 2015	Funds as at 31 March 2015
		£	£	£
<b>As previously stated under former UK GAAP</b>		6,393	(363)	6,030
No Changes		-	(363)	-
<b>As stated in accordance with FRS 102</b>		6,393	(363)	6,030