

***THE CITY OF LONDON CORPORATION
COMBINED EDUCATION CHARITY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019***

Charity Number: 312836

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Trustee's Annual Report and Financial statements for the period from 1 April 2018 to 31 March 2019

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THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Trustee Annual Report for the period from 1 April 2018 to 31 March 2019

1. Reference and Administration Details

Charity Name:	The City of London Corporation Combined Education Charity
Registered Charity Number:	312836
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
Bank:	Lloyds Bank plc City Office, PO Box 72 Bailey Drive Gillingham, Kent ME8 OLS
Auditor:	BDO LLP 55 Baker St, London, W1U 7EU

2. Structure, Governance and Management

The Governing Documents and constitution of the charity

In June 2011 the Charity Commission approved a new scheme, for the purposes of more efficient management and administration, whereby the Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (312836) and the name of the charity changed to the City of London Corporation Combined Education Charity. The scheme revised and broadened the objects of the Charity thereby facilitating greater flexibility in the application of funds for the public benefit, and substituted the previous individual trustees with the City of London Corporation as sole corporate trustee (the formal legal name of the Trustee being the Mayor and Commonalty and Citizens of the City of London). The City of London Corporation is trustee acting by the Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of management of this Charity to one of its committees, the Education Board. That committee has further delegated the Charity's grant-making activity to a sub-committee, the Education Charity Sub (Education Board) Committee which acts in accordance with a policy set by the Education Board.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Trustee Annual Report for the period from 1 April 2018 to 31 March 2019 (continued)

2. Structure, Governance and Management (continued)

Trustee selection methods

All elected Members of the Court of Common Council (both Aldermen and Commoners) collectively exercise the City of London Corporation's duties as Trustee of the Charity. The Education Board under its delegated authority administers the Charity on behalf of the Trustee. The Education Board comprises Aldermen and Commoners appointed to this committee in accordance with the City of London Corporation's usual procedures for committee membership.

Organisational structure and decision making process

The Charity is administered in accordance with the Charity's governing scheme and the City of London Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations of the City of London Corporation. These governance documents are available from the Town Clerk of the City of London at the principal address.

Each elected Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the exercise of its duties as Trustee of the Charity by faithfully acting in accordance with the Terms of Reference of the relevant committee or sub-committee, and the City Corporation's agreed corporate governance framework as noted above.

The Education Board and Education Charity Sub (Education Board) Committee meet regularly to review the charitable activities and instigate any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee.

The Charity Governance Code was published in July 2017. The charity is supportive of the Code and its aim to assist in the development of high standards of governance throughout the sector. The Trustee is currently considering application of the recommended practice to the work of the City of London Combined Education charity.

Details of related parties and wider networks

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 its strategy to preserve the Charity's assets, enhance productivity for service users and members of the public.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Trustee Annual Report for the period from 1 April 2018 to 31 March 2019 (continued)

2. Structure, Governance and Management (continued)

In order to embed sound practice a Risk Management Group of employed officers has been established by 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 elected 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 in the exercise of all of its functions, including when acting as charity trustee.

Consequently a key risk register has been prepared for this Charity, which is reviewed by the Trustees. It identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

3. Objectives and Activities for the Public Benefit

The objects of the Charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London Boroughs) attending or proposing to attend secondary, further or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The Charity also aims to provide grants for staff at maintained schools and Academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

The Charity's governing scheme allows for any residue of income not expended in any year to be applied to further the Charity's objects (after meeting the costs of administration) in any subsequent year or years.

The Trustee confirms it has referred to the Charity Commission guidance on public benefit when reviewing the Trust's aims and objectives and when making future plans.

Policy on grant making

The assessment, management and oversight of the Charity's grant making is provided by the Central Grants Unit. The grant making activity of the Charity forms part of the Education and Employment theme of the City of London Corporations Central Grants Programme. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

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Trustee Annual Report for the period from 1 April 2018 to 31 March 2019 (continued)

4. Achievements and Performance

During the year five new grants totalling £36,800 were awarded:

£5,000 grant towards the course fees for a MA/PG Dip in Performance (Acting) at Mountview Academy of Theatre Arts.

£5,000 bursary towards the purchase of a computer, film equipment and travel costs for the final year of study of a BA in Journalism and Communication at Middlesex University.

£9,600 to A New Direction London Limited towards the cost of workshops, coaching and roundtable events as part of the Cultural Leadership Programme, conditional on the grant only being applied to benefit London school teachers from maintained schools and academies.

£15,000 to support the bursary costs of two individuals that will be managed by the Prisoners of Conscience Charity.

£2,200 for a cohort of City of London Academy Islington Teachers to take part in a SSAT Lead Practitioner accreditation.

In addition, an admin fee amounting to £8,921 was paid to cover the cost of grant assessment and ongoing grant management (2017/18: 7,053).

5. Financial Review

Review of financial position

During the year ended 31 March 2019 total funds decreased by £14,644 (2017/18: an increase of £86,440) to £1,150,296 (2017/18: £1,164,940). This movement comprised the following:-

- i) A net decrease on investments of £10,149 (2017/18: a net gain of £10,149);
- ii) Investment income of £41,226 (2017/18: investment income of £37,529); and
- iii) Expenditure of £45,721 which was made up of five grants plus admin fee. (2017/18: no grants plus an admin fee totalling £7,053).

Reserves Policy

The Reserves Policy is to distribute income in accordance with the Trust's objectives.

The Trust's unrestricted reserves as at 31 March 2019 were £396,459. (2017/18: £404,382). These reserves are substantial relative to the present levels of annual expenditure and income.

Principal Funding Sources and explanation of how expenditure meets the Charity's objectives

The principal funding source is from investments held with the City of London Charities Pool (1021138) ("the Charities Pool"), the City Corporation also being the sole trustee of this Charity, and some cash which is invested on the London Money Market. Five new grants were awarded during the year as noted in 'Achievements and Performance' in furtherance of the Charity's objects.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Trustee Annual Report for the period from 1 April 2018 to 31 March 2019 (continued)

Investment Policy

The charity's investments are held in units of the City of London Charities Pool.

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

The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool are available from the Chamberlain of London

Fundraising

Charities subject to the audit requirements of the Charities Act 2011 are required to include a statement in their annual report relating to fundraising activities. The charity is aware of these requirements and, as it does not undertake fundraising activity, has nothing to disclose under the provisions of section 13 of the Charities (Protection and Social Investment) Act 2016.

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). There are no material uncertainties about the entity's ability to continue as a going concern.

6. Disclosure of information to the Auditor

At the date of approval of the report, the Trustee confirms that:

- So far as they are aware, there is no relevant audit information of which the Auditor is unaware; and
- The Trustee has taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

7. Statement of Trustee Responsibilities

The Trustee is responsible for preparing the Trustee Report and 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 and 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;

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

• Trustee Annual Report for the period from 1 April 2018 to 31 March 2019 (continued)

- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records that 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 Charity's scheme. 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.

8. Plans for future Periods

To further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London Boroughs) attending or proposing to attend secondary, further or higher educational institution by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

To provide grants for staff at maintained schools and Academies in the City of London and the other Boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

9. Adopted and signed for and on behalf of the Trustee on 19th November 2019.

Jeremy Paul Mayhew MA, MBA
Chairman of Finance Committee
Guildhall, London
EC2P 2EJ

Jamie Ingham Clark
Deputy Chairman of
Finance Committee

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

INDEPENDENT AUDITOR'S REPORT TO TRUSTEE OF THE CITY OF LONDON COMBINED EDUCATION CHARITY

Opinion

We have audited the financial statements of the City of London Corporation Combined Education Charity (the Charity) for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Independent Auditor's Report to the Trustees of the City of London Combined Education Charity (continued)

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustee Annual Report; or
- adequate 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Independent Auditor's Report to the Trustee of the City of London Combined Education Charity (continued)

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date *15 December 2019*

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Statement of Financial Activities for the year ended 31 March 2019

	Notes	Unrestricted Fund £	Endowment Fund £	Total 2019 £	Total 2018 £
Income and endowments from:					
Investments					
Managed investment income		40,684	-	40,684	37,386
Interest receivable		542	-	542	143
Total Income & endowments	3	41,226	-	41,226	37,529
Expenditure On:					
Charitable activities	4	45,721	-	45,721	7,053
Total expenditure		45,721	-	45,721	7,053
Net (loss)/gains on investments	7	(3,428)	(6,721)	(10,149)	10,149
Net (expenditure) / income		(7,923)	(6,721)	(14,644)	40,625
Net movement in funds		(7,923)	(6,721)	(14,644)	40,625
Reconciliation of funds					
Total funds brought forward	10	404,382	760,558	1,164,940	1,124,315
Total funds carried forward	10	396,459	753,837	1,150,296	1,164,940

All income and expenditure derive from continuing activities

The notes on pages 13 to 19 form part of these financial statements

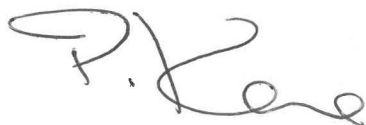
THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Balance Sheet as at 31 March 2019

	Notes	2019 £	2018 £
Fixed Assets			
Investments - 126,861 Charities Pool Units (2018 - 126,861 Charities Pool Units)	7	1,106,228	1,116,377
Current Assets			
Cash		51,268	48,563
Total Assets		<u>1,157,496</u>	<u>1,164,940</u>
Current Liabilities			
Creditors - unpaid grants			
<i>Amounts due within 1 year</i>	8	<u>(7,200)</u>	<u>-</u>
Total Liabilities		<u>(7,200)</u>	<u>-</u>
Net Assets	9	<u>1,150,296</u>	<u>1,164,940</u>
The funds of the charity:			
Unrestricted fund	10	396,459	404,382
Endowment fund	10	753,837	760,558
Total Funds at 31 March		<u>1,150,296</u>	<u>1,164,940</u>

The notes on pages 13 to 19 form part of these financial statements

Approved and signed for and on behalf of the Trustees



Dr Peter Kane
Chamberlain of London
16 December 2019

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2019

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 of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention as modified for the revaluation of financial investments measured at fair value, and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in 2015, Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities Act 2011.

(b) ***Going Concern***

In June 2011 the Charity Commission approved a new scheme, for the purposes of more efficient management and administration, whereby the Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (312836) and the name of the charity changed to the City of London Corporation Combined Education Charity. The scheme revised and broadened the objects of the Charity thereby facilitating greater flexibility in the application of funds for the public benefit, and substituted the previous individual trustee with the City of London Corporation as sole corporate trustee (the formal legal name of the Trustee being the Mayor and Commonalty and Citizens of the City of London). The City of London Corporation is trustee acting by the Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of management of this Charity to one of its committees, the Education Board. That committee has further delegated the Charity's grant-making activity to a sub-committee, the Education Charity Sub (Education Board) Committee which acts in accordance with a policy set by the Education Board. The existing delegation of the charity's management to the Education Board will continue. The Trustee therefore considers the current level of resources is adequate to ensure that this charity is a going concern for the foreseeable future.

(c) ***Cash Flow Statement***

The Charity 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.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the year ended 31 March 2019 (continued)

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 an investment mechanism operating in a similar way to a unit trust. It enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

(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) ***Grants Payable***

The grant making policy is noted in section 3 of the Trustee’s annual report and the grants awarded are shown in section 4. All grants approved are charged to the financial year in which they become committed.

(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 and represent the difference in the market value of investments between 31 March 2018 and 31 March 2019.

(i) ***Fund Accounting***

The funds of the Charity consist of an expendable endowment fund and an unrestricted income fund. Unrestricted funds are available for use at the discretion of the Trustee in furtherance of the general objectives of the Trust after meeting the costs of administration. The expendable endowment is the Trust’s capital i.e. resources which the Trustee is required to retain rather than expend, the income from which is credited to unrestricted funds.

(j) ***Significant Management Judgements and Key Sources of Estimation and Uncertainty***

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

2. Tax status of the charity

The charity meets the definition of a charitable trust for UK Income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Income

Income from generated funds consists of investment income derived from the investments in the Charities Pool noted in 1 (e) above and interest received on cash balances. Income for the year amounted to £41,226 (2017/18: £37,529), which comprised of investment income of £40,684 (2017/18: £37,386) and interest on cash balances of £542 (2017/18: £143).

4. Expenditure

Expenditure is made up of grants directly provided by the charity and an administration fee charged by the Central Grants Unit. During the year five grants were awarded at a total cost of £36,800 plus an admin fee of £8,921, (2017/18: no grants were awarded, admin fee of £7,053). Section 4 of the Annual Report provides further details of these grants.

Charitable activities

Charitable activities consist entirely of grants in accordance with the charitable objectives, (see Section 3 of the Trustee's Annual Report), and an administration fee (see note 5).

5. Support costs

Staff numbers and costs

The Charity does not employ any staff. The reasonable costs of administration are charged to the Charity's income as permitted under the Charity's governing scheme. In 2018/19 £8,921 in management and administration fees was charged to the Charity for the services of the City of London Corporation's Central Grants Unit which is responsible for administering the Charity's grant making activities. (2017/18: £7,053). Other costs of administration, such as accountancy, legal advice and disbursements are not charged to the Charity

Auditors remuneration & 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 are provided for the Trust during the year or in the previous year.

6. Other items of expenditure

Trustee expenses

The Trustee received no remuneration or reimbursement of expenses during the year or in previous years.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

7. Investment assets

The value and cost of investments is comprised as follows:

	Unrestricted Funds General	Endowment Fund	Total 2019	Total 2018
	£	£	£	£
Market Value 1 April	377,097	739,280	1,116,377	1,106,228
Net investment (loss)/gains on revaluation	(3,428)	(6,721)	(10,149)	10,149
Market value 31 March	373,669	732,559	1,106,228	1,116,377
Cost 31 March (£)	268,982	381,401	650,383	650,383
Units in Charities Pool (Units)	42,852	84,009	126,861	126,861

The value and cost of investments for 2017/18 were as follows:

	Unrestricted Funds General	Endowment Fund	Total 2018	Total 2017
	£	£	£	£
Market Value 1 April	373,669	732,559	1,106,228	988,248
Net investment gains on revaluation	3,428	6,721	10,149	117,980
Market value 31 March	377,097	739,280	1,116,377	1,106,228
Cost 31 March (£)	268,982	381,401	650,383	650,383
Units in Charities Pool (Units)	42,852	84,009	126,861	126,861

The Cash Balances are held by the Chamberlain of London, who invests them in the London Money Market.

The table overleaf highlights the amount of investment held within the UK and Overseas.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

	2019 £	2018 £
Equities		
UK	855,114	871,217
Overseas	126,110	136,828
Bonds - UK	-	7,217
Pooled Units - UK	75,224	75,812
Cash held by Fund Manager	49,780	25,303
Total Funds	1,106,228	1,116,377

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 Charity. 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).

As at 31 March 2019 the Fund achieved a return of 4.05% compared to the FTSE All Share Index return of 6.36%. Over three years, the fund achieved a return of 6.77% compared to the FTSE All Share Index return of 6.10%.

	2018/19		2017/18	
	3 Years	5 Years	3 Years	5 Years
Fund	8.31%	6.77%	5.97%	7.96%
FTSE All Share	9.51%	6.10%	5.86%	6.59%
(Under)/Out performance	(1.20%)	0.67%	0.11%	1.37%

8. Creditors

The creditor balance of £7,200 relates to grants awarded but not yet paid. (2017/18 Nil)

**THE CITY OF LONDON CORPORATION COMBINED EDUCATION
CHARITY**

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

9. Analysis of net assets by fund at 31 March 2019

	Unrestricted Funds	Endowment	Total	Total
	General	Fund	2019	2018
	£	£	£	£
Fixed Assets				
Investments	373,669	732,559	1,106,228	1,116,377
Total Fixed Assets	373,669	732,559	1,106,228	1,116,377
Current Assets	29,990	21,278	51,268	48,563
Current Liabilities	(7,200)	-	(7,200)	-
Total Net Assets	396,459	753,837	1,150,296	1,164,940

Analysis of net assets by fund at 31 March 2018

	Unrestricted Funds	Endowment	Total	Total
	General	Fund	2018	2017
	£	£	£	£
Fixed Assets				
Investments	377,097	739,280	1,116,377	1,106,228
Total Fixed Assets	377,097	739,280	1,116,377	1,106,228
Current Assets	27,285	21,278	48,563	21,278
Current Liabilities	-	-	-	(3,191)
Total Net Assets	404,382	760,558	1,164,940	1,124,315

10. Summary of funds and movements during the year to 31 March 2019

Fund Name	Fund balance brought forward	Income	Expenditure	Gains and (losses)	Fund balance carried forward
	£	£	£	£	£
Unrestricted Funds					
General	404,382	41,226	(45,721)	(3,428)	396,459
Endowment Fund					
Expendable	760,558	-	-	(6,721)	753,837
Total Funds	1,164,940	41,226	(45,721)	(10,149)	1,150,296

Notes to the funds:

Unrestricted general fund:

Investment income is credited to this fund and grants are charged to this fund each year. The net income is carried forward in this fund to be utilised in subsequent years.

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Notes to the Financial Statements for the Year Ended 31 March 2019 (continued)

Expendable endowment fund:

This reserve relates to the invested expendable endowment shown in the financial statements at market value.

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 Charities Pool, these charities do not undertake transactions with the City of London Corporation Combined Education Charity. A full list of these charities is available on application to the Chamberlain of London.

The Charity has investments in the Charities Pool of which the City of London Corporation is also the Trustee.

The Charities Pool is an investment mechanism operating in a similar way to a unit trust. It enables the City of London to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually. Investment income consists of distribution from the Charities Pool and interest receivable on cash balances.

The Charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the Charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk

The table below sets out all related party transactions during the year:

Related party	Connected party	2018/19 £ 000	2017/18 £ 000	Detail of transaction
London Academy Islington	Two trustees of the Charity are governors	2	-	LAI received grant funding from the City of London Corporation Combined Education Charity