

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales · Charity number 1056609

Details

Status Registered

Legal form Other

Registered 1996-07-05

Register [View on the Charity Commission register](#)

Contact

Address Hon. Society Of The Inner Temple
6 King's Bench Walk
Temple
London
EC4Y 7DR

Phone 02077978185

Activities

Objects: TO APPLY INCOME OF THE CHARITY IN THE ADVANCEMENT OF EDUCATION IN THE LAW, AND IN PARTICULAR BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING, BY PROVIDING SCHOLARSHIPS, PRIZES, GRANTS AND AWARDS TO PERSONS WHO ARE STUDYING THE LAW, BEING STUDENTS OR YOUNG BARRISTER MEMBERS OF THE SOCIETY.

Activities: The Fund provides scholarships and prizes to members of the Honourable Society of the Inner Temple training to become barristers. Awards are also made to barristers and advocates from the UK and overseas to spend time in other countries learning about their judicial administration.

Classification

- **How:** Makes Grants To Individuals
- **What:** Education/training
- **Who:** Other Defined Groups

Geography

- **Area of benefit:** NATIONAL
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£181,925	£230,811	-	-
2023-12-31	£162,535	£205,546	-	-
2022-12-31	£190,529	£206,010	-	-
2021-12-31	£129,620	£140,746	-	-
2020-12-31	£66,478	£130,725	-	-

Trustees

Name	Role	Appointed
David Michael Pittaway KC		2019-12-18
Penelope Jane Reed KC		2019-12-18
THE HON MR JUSTICE NUGEE		
THE RT HON SIR STEPHEN MILES TOMLINSON		

Linked charities

- THE LEN WOODLEY SCHOLARSHIP (1056609-1)
- PEGASUS SCHOLARSHIP TRUST (1056609-2)

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales - Charity number 1056609

Accounts



THE HONOURABLE SOCIETY OF
THE INNER TEMPLE

**THE INNER TEMPLE BENEFACTORS'
SCHOLARSHIP FUND**

Financial Statements

31 December 2024

Registered Charity No 1056609

The Inner Temple Benefactors' Scholarship Fund

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The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2024

Objectives and activities

The Inner Temple Benefactors' Scholarship Fund is a registered charity comprising four individual funds: The Inner Temple Benefactors' Scholarship Fund, The Pegasus Scholarship Trust Fund, The Woolfe Summerfield Bequest Fund and The Peter Taylor Scholarship Fund. Each of the four funds was established by gifts or legacies for the purpose of paying scholarships or purchasing Library books. The specific objectives of each fund are as follows:

The Inner Temple Benefactors' Scholarship Fund:

The advancement of education in the law, and in particular the provision of scholarships, prizes, grants and awards to persons who are studying the law, being students or young barrister members of the Society.

The Pegasus Scholarship Trust Fund:

The advancement of legal education among students and young barristers whether or not being members of the Honourable Society of the Inner Temple and among any other persons by such means as are charitable and particularly by the means of the award of scholarships and grants.

The Woolfe Summerfield Bequest Fund:

The purchase of library books.

The Peter Taylor Scholarship Fund:

The provision of a scholarship for an outstanding student member of the Honourable Society of the Inner Temple who either has entered or undertakes to enter for the Bar Professional Training Course which commences during the year in which the scholarship is awarded or, at the discretion of the Scholarships Committee of the Society, during the next following year.

The funds are all invested with Veritas Investment Management. Investment policy is supervised on behalf of the Trustees by the Investment Sub-Committee of the Honourable Society of the Inner Temple. Decisions about the award of scholarships are made by the Scholarships Committee of the Honourable Society of the Inner Temple and, in the case of the Pegasus Scholarship Trust, by a committee of all four Inns.

The Trustees have given due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

There were no significant changes to the eligibility criteria or the application process for scholarships, prizes and awards for any of the charities in the year. Awards made during the year were as follows:

- The Inner Temple Benefactors' Scholarship Fund awarded 27 scholarships and prizes to individuals during the year totalling £21,248 (2023: £15,975).
- The Pegasus Scholarship Trust Fund awarded 15 outgoing scholarships and prizes in the year as well funding 6 outgoing placements which had been awarded in previous years and deferred to 2024. In addition, the Trust also funded 9 incoming scholars in 2024. Total amounts paid in 2024 were £86,371 (2023: £83,176), including expenses incurred by the Trust of £777 to allow scholars to undertake court visits.
- The Peter Taylor Scholarship Fund awarded one scholarship of £22,000 in 2024 (2023: £22,000).

Financial review

All revenues are used for charitable activities.

Investments generated an overall return in 2024, net of fees, of +8.9% (2023: +11.9%).

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2024 (continued)

In 2024 the Benefactors' Fund received the following generous donations: £3,500 from the Monica Rabagliati Charitable Trust and 1,000 from Mr J. Jarman. The Charity also received £21,823 from the Inner Temple Scholarship Fund (2023: £15,492).

Principal risks and uncertainties

The Trustees have identified the major risks to which the fund is exposed and have satisfied themselves that adequate systems are in place to mitigate those risks.

The major risks are set out as follows:

- **Currency risk:** this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates;
- **Interest rate risk:** this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in the market interest rate;
- **Other price risk:** this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Reserves policy

The Trustees aim to apply income as fully as possible in the year in which it arises, maintaining only a modest surplus each year to deal with adverse fluctuations in the returns from investments. The level of funds at the year-end was £6,036,375 (2023: £5,638,986) including restricted income reserves of £86,593 (2023: £96,802).

There are no free unrestricted reserves at the year-end for the Charity due to the nature of how the Charity operates. All income is generated and recognised within restricted funds from endowed investments during the year and subsequently this is spent on underlying activities of the Charity. The Charity's spend is adjusted to the income level generated in the year.

Transfer between funds

Transfer between funds represents the movement between restricted income and endowment funds, relating to the investment income and fees paid to the investment managers.

Investments policy and performance

The Trustees aim to maximise real return on a rolling five-year view with emphasis on capital growth with income. Investment performance during the year equated to a gain of 8.9% net of fees. Investment income on the Charity's funds is paid out by the manager to generate funds for the payment of scholarships.

Structure governance and management

The Charity's Trustees are the four Governing Benchers elected by the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple to act as Trustees of the Honourable Society. Legal title to the Charity's investments is vested in the four Trustees. They act in accordance with decisions made by the appropriate committees of the Bench, provided they are satisfied that those decisions have been properly reached and are within the power of the committee. The committees which make decisions affecting the Charity are the Investment Sub-Committee, the Scholarships and Outreach Committee and the Council of Management for the Pegasus Scholarship Trust.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2024 (continued)

New Trustees are advised of their role, duties and responsibilities on appointment, by reference to the Bench Table Orders of the Honourable Society of the Inner Temple.

Day-to-day management of the Charity is undertaken by the staff of the Honourable Society of the Inner Temple, acting in accordance with policies and procedures laid down by the Honourable Society.

The Charity's Trustees recognise the legal obligation to oversee and report on the Inner Temple Benefactors' Scholarship Fund's fundraising activities.

The Inner Temple Benefactors' Scholarship Fund does not use Direct Marketing for its fundraising activities and is not therefore registered with the Fundraising Regulator. It does not have any direct contact with vulnerable people hence no Vulnerable People Protection Policy is currently in place.

Any donations or bequests are welcome and given voluntarily, usually by members of the Inner Temple. Any Gift Aid forms are securely stored in order to protect donors' personal data. The personal data is used only for Gift Aid tax claims and is not used for mailing, distribution or other fundraising purposes. No Personal Data is sold to third parties.

Currently no third parties are used for fundraising purposes but if they are used in future the third parties would be expected to maintain a high standard of fundraising practice.

There were no fundraising complaints from donors or the general public in 2024 or any prior years. Any complaint would be taken seriously and investigated thoroughly.

Investment Sub-Committee

This sub-committee comprises Benchers and other members of the Honourable Society of the Inner Temple. Among the Bencher members are Honorary Benchers chosen for their particular expertise in investment matters. The Sub-Committee meets quarterly to review investment performance and to consider changes to policy. It is advised by an independent investment manager.

Scholarships and Outreach Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. It meets throughout the year to set policy for the awarding of scholarships and to assess applications. Awards are made to students and junior barristers by the Honourable Society of the Inner Temple. The Charity makes grants to the Inn in accordance with the terms of the bequests of which it is comprised.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2024 (continued)

References and administration

- Charity Name & No: The Inner Temple Benefactors' Scholarship Fund includes the following charities registered under the charity number 1056609:
The Inner Temple Benefactors' Scholarship Fund (comprising the funds listed in Note 1(g) to the accounts)
The Pegasus Scholarship Trust Fund
The Woolfe Summerfield Bequest Fund
The Peter Taylor Fund
- Governing Instruments: The Inner Temple Benefactors' Scholarship Fund: scheme made by the Charity Commissioners dated 14 August 1995
The Woolfe Summerfield Bequest Fund is governed by the terms of the will of Woolfe Summerfield
The Pegasus Scholarship Trust Fund: trust deed dated 13 March 1988
The Peter Taylor Scholarship Fund is governed by regulations dated 23 July 1997
- Trustees: The Trustees of the Inner Temple Benefactors' Scholarship Fund are:
The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC
as nominees of the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple, who act in accordance with their usual procedure.
The Trustees of the Pegasus Scholarship Trust Fund, set up by the trust deed, are:
The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC
- Principal Address: Inner Temple
London
EC4Y 7HL
- Bankers: Royal Bank of Scotland
9-13 Paternoster Row
London EC4M 7EJ
- Solicitors: Forsters LLP
31 Hill Street
London W1J 5LS
Lewis Silkin LLP
5 Chancery Lane, Clifford's Inn
London EC4A 1BL
- Auditors: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW
- Investment Managers: Meridiem Investment Management LLP
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- Investment Powers: The Trustees have wide powers of investment.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2024 (continued)

Council of Management for the Pegasus Scholarship Trust

The Council of Management comprises Benchers and other members of all four Inns of Court; the Honourable Societies of Gray's Inn, the Inner Temple, Lincoln's Inn and Middle Temple.

The Council makes awards from the Pegasus Scholarship Fund to finance UK and overseas barristers in gaining international work experience.

Statement of Trustees' responsibilities

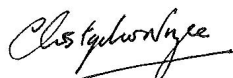
The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees 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 Trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved for the Trustees on 11 June 2025 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund

Opinion

We have audited the financial statements of the Inner Temple Benefactors' Scholarship Fund ('the charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including 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 December 2024 and of its income and expenditure, 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 that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 determine 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 trustees are 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 trustees 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 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102).

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. We noted no additional laws and regulations in this context for the UK operations.

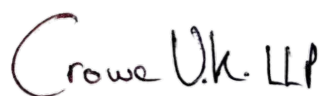
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London

Date: 16 June 2025

Crowe U.K. 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.

The Inner Temple Benefactors' Scholarship Fund

Statement of Financial Activities for the year ended 31 December 2024

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2024 £	Restricted Income	Expendable Endowment	Permanent Endowment	Total 2023 £
Income endowments from									
Donations and legacies		26,323	-	-	26,323	16,992	-	-	16,992
Other trading activities	2(a)	78,000	-	-	78,000	78,000	-	-	78,000
Income from investments	2(b)	77,399	-	-	77,399	67,338	-	-	67,338
Other income		203	-	-	203	205	-	-	205
Total income and endowments		181,925	-	-	181,925	162,535	-	-	162,535
Expenditure on raising funds									
Investment managers' charges		36,849	-	-	36,849	33,732	-	-	33,732
Bank charges and office costs		3	-	-	3	16	-	-	16
		36,852	-	-	36,852	33,748	-	-	33,748
Expenditure on charitable activities									
Scholarships payable	3	129,619	-	-	129,619	121,151	-	-	121,151
Contribution to purchase of library books		4,763	-	-	4,763	3,778	-	-	3,778
		134,382	-	-	134,382	124,929	-	-	124,929
Support cost	4	59,577	-	-	59,577	46,869	-	-	46,869
Total expenditure		230,811	-	-	230,811	205,546	-	-	205,546
Net gains on investments	5d, 10	-	313,757	132,518	446,275	-	399,550	153,785	553,335
Net (expenditure)/ income		(48,886)	313,757	132,518	397,389	(43,011)	399,550	153,785	510,324
Transfer between funds		38,677	(34,693)	(3,984)	-	33,257	(30,401)	(2,856)	-
Net movement in funds		(10,209)	279,064	128,534	397,389	(9,754)	369,149	150,929	510,324
Fund balances brought forward At 1 January 2024		96,802	3,809,465	1,732,719	5,638,986	106,556	3,440,316	1,581,790	5,128,662
Fund balances carried forward									
At 31 December 2024		86,593	4,088,529	1,861,253	6,036,375	96,802	3,809,465	1,732,719	5,638,986

All the above amounts relate to continuing activities.
The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Balance Sheet as at 31 December 2024

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2024 £	Total 2023 £
Fixed assets						
Investments	5	-	4,088,529	1,861,253	5,949,782	5,542,184
Current assets						
Debtors	6	49,391	-	-	49,391	41,370
Cash at bank and in hand	7	111,360	-	-	111,360	132,733
		<u>160,751</u>	<u>-</u>	<u>-</u>	<u>160,751</u>	<u>174,103</u>
Creditors: amounts falling due						
Within one year	8	(74,158)	-	-	(74,158)	(77,301)
Net current assets/ (liabilities)		<u>86,593</u>	<u>-</u>	<u>-</u>	<u>86,593</u>	<u>96,802</u>
Total assets less current liabilities	10	<u>86,593</u>	<u>4,088,529</u>	<u>1,861,253</u>	<u>6,036,375</u>	<u>5,638,986</u>
Represented by:						
The Benefactors' Fund		58,300	-	934,177	992,477	923,627
The Peter Taylor Fund		-	-	581,461	581,461	540,463
The Woolfe Summerfield Fund		-	-	345,615	345,615	322,571
The Pegasus Scholarship Trust Fund:						
The Pegasus Fund 'A'		10,165	3,679,676	-	3,689,841	3,451,795
The Pegasus Fund 'B'		<u>18,128</u>	<u>408,853</u>	<u>-</u>	<u>426,981</u>	<u>400,530</u>
	10 & 11	<u>86,593</u>	<u>4,088,529</u>	<u>1,861,253</u>	<u>6,036,375</u>	<u>5,638,986</u>

The financial statements on pages 10 to 21 were approved and authorised for issue by the Trustees on 11 June 2025 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The notes on pages 13 to 21 form part of these financial statements

The Inner Temple Benefactors' Scholarship Fund

Cash flow statement For the year ended 31 December 2024

	<u>Note</u>	<u>2024</u>	<u>2023</u> <i>Restated</i>
<u>Net cash outflow provided by operating activities</u>	14	<u>(135,962)</u>	<u>(103,158)</u>
<u>Cash flow from investment activities</u>			
Dividends and interest from investments		75,912	65,159
Proceeds of sale of investments		645,613	789,946
Purchase of investments		<u>(606,936)</u>	<u>(756,689)</u>
<u>Net cash provided by investing activities</u>		<u>114,589</u>	<u>98,416</u>
Change in cash and equivalents in the reporting period		<u>(21,373)</u>	<u>(4,742)</u>
Cash and cash equivalents at the beginning of the reporting period	15	<u>132,733</u>	<u>137,475</u>
<u>Cash and cash equivalents at the end of the reporting period</u>	15	<u><u>111,360</u></u>	<u><u>132,733</u></u>

2023 figures have been restated to correct rounding differences.

The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Inner Temple Benefactors' Scholarship Fund constitutes a public benefit entity as defined by FRS 102.

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 6.

Having regard to the above, the current cash position, and expected cashflow over the following twelve months the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty

Sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies. No specific accounting judgements and uncertainties have been identified for the current year.

c) Investments

Investments are included in the accounts at fair value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities as net gains/losses on investments.

d) Financial instruments

The Inner Temple Benefactors' Scholarship Fund has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024

e) **Income**

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known as probable and measurable.

f) **Expenditure**

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the Charity's objectives. Grants, prizes and scholarships are accounted for when awarded. The costs of generating funds relate to the management of the Charity's assets.

g) **The Inner Temple Benefactors' Scholarship Fund**

The Inner Temple Benefactors' Scholarship Fund is an approved scheme whereby the charities listed below are administered and managed together as one charity. The Charity Commissioners approved the scheme in 1995.

Charities included in scheme:

Jardine Studentship	Cecile Yahuda Scholarship
Poland Prize	Elfreda Edwards Scholarship
Struben Bequest	Peta Fordham Scholarship
Ashworth Charity	Sweet & Maxwell Prize
Horace Ivory Scholarship	The Joseph Priestley Scholarship
Wilfred Clothier Scholarship	Solk Scholarship
Frank and Burris Gahan Scholarship	Yarborough-Anderson Scholarship
Michael Hodge Scholarship Trust Fund	Profumo Scholarship
Neville Laski Scholarship Charity	Allan Levy Awards
The Inner Temple Law Scholarships	Philip Teichman Award
David Hughes Parry Prize	Paul Methven Scholarship
Basil Nield Scholarship Charity	The Rachel Lawrence Scholarship
Otto Rix Scholarship	Leonard Woodley Scholarship
Geoffrey Veale Scholarship Fund	

h) **Taxation**

The Inner Temple Benefactors' Scholarship Fund is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2(a) Contributions from the Inns

The four Inns of Court (The Honourable Society of Gray's Inn, The Honourable Society of the Inner Temple, The Honourable Society of the Middle Temple and The Honourable Society of Lincoln's Inn) each made an annual donation of £19,500 (2023: £19,500) towards The Pegasus Scholarship Trust Fund.

The Honourable Society of the Inner Temple also pays the Charity's audit fees.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024

2(b) Investment income	2024	2023
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	9,370	7,782
Foreign equities	-	-
Fixed interest	3,447	2,940
The Woolfe Summerfield Bequest Fund		
UK equities	3,485	2,898
Foreign equities	-	-
Fixed interest	1,179	990
The Peter Taylor Fund		
UK equities	5,857	4,892
Foreign equities	-	-
Fixed interest	1,977	1,620
The Pegasus Scholarship Trust Fund		
UK equities	6,484	4,344
Foreign equities	20,551	20,407
Fixed interest	25,049	21,465
	77,399	67,338
3. Scholarships payable, awarded to individuals	2024	2023
	£	£
The Inner Temple Benefactors' Scholarship Fund: 27 (2023: 24)	21,248	15,975
The Peter Taylor Scholarship Fund: 1 (2023: 1)	22,000	22,000
The Pegasus Scholarship Trust Fund: 15 (2023: 23)	86,371	83,176
	129,619	121,151
4. Support cost	2024	2023
	£	£
Administration costs allocated by the Inner Temple	56,535	40,886
Other costs	3,042	5,983
	59,577	46,869
5. Investments		
(a) Reconciliation of movement in investment assets	2024	2023
	£	£
Market value at 1 January	5,542,184	5,022,106
Additions to investments at cost	427,553	655,561
Less: Disposals at carrying value	(477,628)	(680,207)
Net gains/ (loss) on revaluation	457,673	544,724
Market value at 31 December	5,949,782	5,542,184

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

(b) Analysis of Investments:	2024	2023
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	878,079	779,611
Foreign equities	-	-
Fixed interest	22,260	23,634
Cash	33,838	66,442
The Woolfe Summerfield Bequest Fund		
UK equities	327,702	291,060
Foreign equities	-	-
Fixed interest	9,275	9,848
Cash	8,638	21,662
The Peter Taylor Fund		
UK equities	552,965	488,625
Foreign equities	-	-
Fixed interest	11,130	11,817
Cash	17,366	40,021
The Pegasus Scholarship Trust Fund		
UK equities	605,853	401,102
Foreign equities	2,252,955	2,245,832
Fixed interest	1,027,961	819,478
Cash	201,760	343,053
	<u>5,949,782</u>	<u>5,542,184</u>
Historical cost at 31 December	<u>4,238,278</u>	<u>4,108,970</u>
(c) Reconciliation of movements in unrealised gains on investment assets	2024	2023
	£	£
Unrealised gain at 1 January	1,433,215	989,619
Write back gain on disposal of investments	(179,383)	(101,128)
Unrealised gain for the year	457,673	544,724
	<u>1,711,505</u>	<u>1,433,215</u>
(d) Net gains / (losses) on investment	2024	2023
	£	£
Unrealised gain	457,673	544,723
Realised gain/ (loss)	(11,398)	8,612
Net gain on investment at 31 December	<u>446,275</u>	<u>553,335</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

6. Debtors

	2024	2023
	£	£
Dividend income	8,068	6,378
Amounts due from the Inns of Court	19,500	19,500
Amount due from the Scholarship Fund	21,823	15,492
	49,391	41,370

7. Cash at bank and in hand

	2024	2023
	£	£
Current account	99,385	122,466
Deposit account	11,975	10,267
	111,360	132,733

8. Creditors: amounts falling due within one year

	Note	2024	2023
		£	£
Accrued expenditure		11,269	10,246
Other creditors		14,559	20,443
Amount due to Inner Temple	16	48,330	46,612
		74,158	77,301

9. Financial instruments

Financial assets and liabilities

	2024	2023
	£	£
Financial assets measured at fair value	5,949,782	5,542,184

The Charity's income, expense, gains and losses in respect of these financial instruments are summarised below:

	2024	2023
	£	£
Total income for financial assets held at fair value	8,068	6,378
Total gains for financial assets held at fair value	1,772,487	1,490,632
Total losses for financial assets held at fair value	60,981	57,417

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

10. Funds

(a) Permanent Endowment Funds

	Balance at 1 Jan 2024	Capital Additions	Gains	Transfers	Balance at 31 Dec 2024
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	869,685	-	66,476	(1,984)	934,177
The Peter Taylor Fund	540,463	-	42,220	(1,222)	581,461
The Woolfe Summerfield Bequest Fund	322,571	-	23,822	(778)	345,615
	1,732,719	-	132,518	(3,984)	1,861,253

	Balance at 1 Jan 2023	Capital Additions	Gains	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	794,662	-	76,509	(1,486)	869,685
The Peter Taylor Fund	492,519	-	48,757	(813)	540,463
The Woolfe Summerfield Bequest Fund	294,609	-	28,520	(557)	322,571
	1,581,790	-	153,786	(2,856)	1,732,719

(b) Expendable Endowment Funds

	Balance at 1 Jan 2024	Capital Additions	Gains	Transfers	Balance at 31 Dec 2024
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,809,465	-	313,757	(34,693)	4,088,529

	Balance at 1 Jan 2023	Capital Additions	Gains	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,440,316	-	399,550	(30,401)	3,809,465

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

(c) Restricted Income Funds

	Balance at 1 Jan 2024	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2024
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	53,942	25,352	(22,978)	1,984	58,300
The Peter Taylor Fund	-	21,822	(23,044)	1,222	-
The Woolfe Summerfield Bequest Fund	-	4,664	(5,442)	778	-
The Pegasus Scholarship Trust Fund	42,860	130,087	(179,347)	34,693	28,293
	96,802	181,925	(230,811)	38,677	86,593

	Balance at 1 Jan 2023	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	57,933	12,220	(17,697)	1,486	53,942
The Peter Taylor Fund	-	22,209	(23,022)	813	-
The Woolfe Summerfield Bequest Fund	-	3,888	(4,445)	557	-
The Pegasus Scholarship Trust Fund	48,623	124,218	(160,382)	30,401	42,860
	106,556	162,535	(205,546)	33,257	96,802

11. Analysis of net assets

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2024
	£	£	£	£	£
Fixed assets:					
Investments	934,177	581,461	345,615	4,088,529	5,949,782
Current assets:					
Debtors	125	21,885	52	27,329	49,391
Cash at bank and in hand	79,113	534	2,475	29,238	111,360
Creditors: amounts falling due within one year	(20,938)	(22,419)	(2,527)	(28,274)	(74,158)
	992,477	581,461	345,615	4,116,822	6,036,375

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2023
	£	£	£	£	£
Fixed assets:					
Investments	869,685	540,463	322,571	3,809,465	5,542,184
Current assets:					
Debtors	124	15,554	52	25,640	41,370
Cash at bank and in hand	70,477	6,864	3,989	51,403	132,733
Creditors: amounts falling due within one year	(16,659)	(22,418)	(4,041)	(34,183)	(77,301)
	<u>923,627</u>	<u>540,463</u>	<u>322,571</u>	<u>3,852,325</u>	<u>5,638,986</u>

12. Trustees

None of the Trustees received any reimbursement of expenses or remuneration for their services during the year.

13. Audit fees

The Charity's audit fees are paid by the Honourable Society of the Inner Temple. The Society paid £4,500 ex VAT on account of the audit fees in 2024 (2023: £4,280 ex VAT).

14. Reconciliation of net income to net cash flow from operating activities

<i>2023 figures have been restated to correct rounding differences</i>	2024 £	2023 £
		<i>Restated</i>
Net income for the reporting period	397,389	510,324
Gains on investments	(446,275)	(553,335)
Dividends	(77,399)	(67,338)
Other income	<u>(203)</u>	<u>(205)</u>
Operating deficit	(126,488)	(110,554)
Increase in debtors	(6,331)	(4,875)
(Decrease) / increase in creditors	(3,143)	12,271
Net cash used in operating activities	<u>(135,962)</u>	<u>(103,158)</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2024 (continued)

15. (a) Analysis of short-term deposits and cash at bank as shown in the balance sheet

	<u>At 1 Jan</u> <u>2024</u>	<u>Cashflow</u>	<u>At 31 Dec</u> <u>2024</u>
	£	£	£
Short-term deposits	10,267	1,708	11,975
Cash at bank	122,466	(23,081)	99,385
Cash and bank balances	<u>132,733</u>	<u>(21,373)</u>	<u>111,360</u>

(b) Reconciliation of net cash flow to movement in net cash

	£
Decrease in cash and short-term deposits	<u>21,373</u>
Net cash at 1 January 2024	<u>132,733</u>
Net cash at 31 December 2024	<u>111,360</u>

16. Related party transactions

The Honourable Society of the Inner Temple paid £19,500 towards the Pegasus Trust scholarships awarded in 2024 (2023: £78,000). The Inner Temple also paid the Benefactors' Scholarship Fund's audit fees of £4,500 ex VAT (2023: £4,280 ex VAT).

The Pegasus Scholarship Trust paid £56,535 with regards to staff costs administered by the Inner Temple in 2024 (2023: £40,886).

In 2024 The Inner Temple Benefactors' Scholarship Fund contributed the following amounts to the cost of the Inn's scholarship awards:

	2024	2023
	£	£
Benefactors' Scholarship Fund	20,248	15,975
Woolfe Summerfield Bequest Fund	4,763	3,778
Peter Taylor Fund	22,000	22,000

The amount of £48,330 in creditors (Note 8) represents the contributions due to the Inner Temple as at 31 December 2024 (2023: £46,612). This balance is unsecured, interest-free and payable on demand.

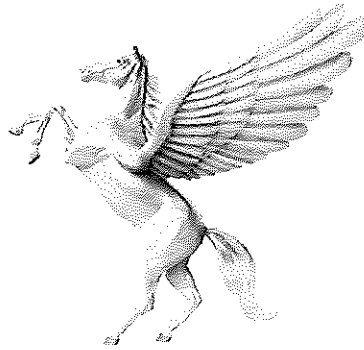
In the reporting period the Inner Temple Benefactor's Scholarship Fund transferred £46,612 (2023: £42,900) to the Honourable Society of the Inner Temple to clear the brought forward inter-company balance.

The Inner Temple Scholarship Fund contributed £21,823 to the Inner Temple Benefactors' Scholarship Fund to meet the balance of the cost of the Peter Taylor Scholarship in 2024 (2023: £15,492). The amount of £21,823 in debtors (Note 6) represents the contribution due to the Peter Taylor Fund (2023: £15,492).

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales - Charity number 1056609

Accounts



**THE INNER TEMPLE BENEFACTORS'
SCHOLARSHIP FUND**

Financial Statements

31 December 2023

Registered Charity No 1056609

The Inner Temple Benefactors' Scholarship Fund

Index to the financial statements for the year ended 31 December 2023

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The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2023

Objectives and activities

The Inner Temple Benefactors' Scholarship Fund is a registered charity comprising four individual funds: The Inner Temple Benefactors' Scholarship Fund, The Pegasus Scholarship Trust Fund, The Woolfe Summerfield Bequest Fund and The Peter Taylor Scholarship Fund. Each of the four funds was established by gifts or legacies for the purpose of paying scholarships or purchasing Library books. The specific objectives of each fund are as follows:

The Inner Temple Benefactors' Scholarship Fund:

The advancement of education in the law, and in particular the provision of scholarships, prizes, grants and awards to persons who are studying the law, being students or young barrister members of the Society.

The Pegasus Scholarship Trust Fund:

The advancement of legal education among students and young barristers whether or not being members of the Honourable Society of the Inner Temple and among any other persons by such means as are charitable and particularly by the means of the award of scholarships and grants.

The Woolfe Summerfield Bequest Fund:

The purchase of library books.

The Peter Taylor Scholarship Fund:

The provision of a scholarship for an outstanding student member of the Honourable Society of the Inner Temple who either has entered or undertakes to enter for the Bar Professional Training Course which commences during the year in which the scholarship is awarded or, at the discretion of the Scholarships Committee of the Society, during the next following year.

The funds are all invested with Meridiem (formerly known as Veritas) Investment Management. Investment policy is supervised on behalf of the Trustees by the Investment Sub-Committee of the Honourable Society of the Inner Temple. Decisions about the award of scholarships are made by the Scholarships Committee of the Honourable Society of the Inner Temple and, in the case of the Pegasus Scholarship Trust, by a committee of all four Inns.

The Trustees have given due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

There were no significant changes to the eligibility criteria or the application process for scholarships, prizes and awards for any of the charities in the year. Awards made during the year were as follows:

- The Inner Temple Benefactors' Scholarship Fund awarded 23 scholarships and prizes to individuals during the year totalling £15,975 (2022 - £20,680).
- The Pegasus Scholarship Trust Fund awarded 15 outgoing scholarships and prizes in the year, of which one was declined and three were deferred to 2024. Total awards paid in 2023 were £83,176 (2022 - £77,884).
- The Peter Taylor Scholarship Fund awarded one scholarship of £22,000 in 2023 (2022 - £22,000). One deferred scholarship of £22,000 was also paid during the reporting period.

Financial review

All revenues are used for charitable activities.

Investments generated an overall return in 2023, net of fees, of 11.9% (2022 negative return: 8.5%).

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2023 (continued)

In 2023 the Benefactors' Fund received the following generous donations: £1,000 from Mr J. Jarman and £500 from RS & CJ Davis The Charity also received £15,492 from the Inner Temple Scholarship Fund.

Principal risks and uncertainties

The Trustees have identified the major risks to which the fund is exposed and have satisfied themselves that adequate systems are in place to mitigate those risks.

The major risks are set out as follows:

- Currency risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rate;
- Interest rate risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in the market interest rate;
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Reserves policy

The Trustees aim to apply income as fully as possible in the year in which it arises, maintaining only a modest surplus each year to deal with adverse fluctuations in the returns from investments. The level of funds at the year-end was £5,638,986 (2022 – £5,128,662) including restricted income reserves of £96,802 (2022 - £106,556).

There are no free unrestricted reserves at the year-end for the Charity due to the nature of how the Charity operates. All income is generated and recognised within restricted funds from endowed investments during the year and subsequently this is spent on underlying activities of the Charity. The Charity's spend is adjusted to the income level generated in the year.

Transfer between funds

Transfer between funds represents the movement between restricted income and endowment funds, relating to the investment income and fees paid to the investment managers.

Investments policy and performance

The Trustees aim to maximise real return on a rolling five-year view with emphasis on capital growth with income. Investment performance during the year equated to a gain of 11.9% net of fees. Investment income on the Charity's funds is paid out by the manager to generate funds for the payment of scholarships.

Structure governance and management

The Charity's Trustees are the four Governing Benchers elected by the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple to act as Trustees of the Honourable Society. Legal title to the Charity's investments is vested in the four Trustees. They act in accordance with decisions made by the appropriate committees of the Bench, provided they are satisfied that those decisions have been properly reached and are within the power of the committee. The committees which make decisions affecting the Charity are the Investment Sub-Committee, the Scholarships and Outreach Committee and the Council of Management for the Pegasus Scholarship Trust.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2023 (continued)

New Trustees are advised of their role, duties and responsibilities on appointment, by reference to the Bench Table Orders of the Honourable Society of the Inner Temple.

Day-to-day management of the Charity is undertaken by the staff of the Honourable Society of the Inner Temple, acting in accordance with policies and procedures laid down by the Honourable Society.

The Charity's Trustees recognise the legal obligation to oversee and report on the Inner Temple Benefactors' Scholarship Fund's fundraising activities.

The Inner Temple Benefactors' Scholarship Fund does not use Direct Marketing for its fundraising activities and is not therefore registered with the Fundraising Regulator. It does not have any direct contact with vulnerable people hence no Vulnerable People Protection Policy is currently in place.

Any donations or bequests are welcome and given voluntarily, usually by members of the Inner Temple. Any Gift Aid forms are securely stored in order to protect donors' personal data. The personal data is used only for Gift Aid tax claims and is not used for mailing, distribution or other fundraising purposes. No Personal Data is sold to third parties.

Currently no third parties are used for fundraising purposes but if they are used in future the third parties would be expected to maintain a high standard of fundraising practice.

There were no fundraising complaints from donors or the general public in 2023 or any prior years. Any complaint would be taken seriously and investigated thoroughly.

Investment Sub-Committee

This sub-committee comprises Benchers and other members of the Honourable Society of the Inner Temple. Among the Bencher members are Honorary Benchers chosen for their particular expertise in investment matters. The Sub-Committee meets quarterly to review investment performance and to consider changes to policy. It is advised by an independent investment manager.

Scholarships and Outreach Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. It meets throughout the year to set policy for the awarding of scholarships and to assess applications. Awards are made to students and junior barristers by the Honourable Society of the Inner Temple. The Charity makes grants to the Inn in accordance with the terms of the bequests of which it is comprised.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2023 (continued)

References and administration

Charity Name & No: The Inner Temple Benefactors' Scholarship Fund includes the following charities registered under the charity number 1056609:
The Inner Temple Benefactors' Scholarship Fund (comprising the funds listed in Note 1(g) to the accounts)
The Pegasus Scholarship Trust Fund
The Woolfe Summerfield Bequest Fund
The Peter Taylor Fund

Governing Instruments: The Inner Temple Benefactors' Scholarship Fund: scheme made by the Charity Commissioners dated 14 August 1995

The Woolfe Summerfield Bequest Fund is governed by the terms of the will of Woolfe Summerfield

The Pegasus Scholarship Trust Fund: trust deed dated 13 March 1988

The Peter Taylor Scholarship Fund is governed by regulations dated 23 July 1997

Trustees: The Trustees of the Inner Temple Benefactors' Scholarship Fund are:
The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC
as nominees of the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple, who act in accordance with their usual procedure.

The Trustees of the Pegasus Scholarship Trust Fund, set up by the trust deed, are:
The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC

Principal Address: Inner Temple
London
EC4Y 7HL

Bankers: Royal Bank of Scotland
9-13 Paternoster Row
London EC4M 7EJ

Solicitors: Forsters LLP
31 Hill Street
London W1J 5LS
Lewis Silkin LLP
5 Chancery Lane, Clifford's Inn
London EC4A 1BL

Auditors: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Managers: Meridiem (formerly Veritas) Investment Management LLP
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Investment Powers: The Trustees have wide powers of investment.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2023 (continued)

Council of Management for the Pegasus Scholarship Trust

The Council of Management comprises Benchers and other members of all four Inns of Court; the Honourable Societies of Gray's Inn, the Inner Temple, Lincoln's Inn and Middle Temple.

The Council makes awards from the Pegasus Scholarship Fund to finance UK and overseas barristers in gaining international work experience.

Statement of Trustees' responsibilities

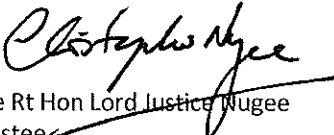
The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees 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 Trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved for the Trustees on 9 July 2024 and signed on their behalf:


The Rt Hon Lord Justice Nugee
Trustee

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund

Opinion

We have audited the financial statements of the Inner Temple Benefactors' Scholarship Fund ('the charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including 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 December 2023 and of its income and expenditure, 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 that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 determine 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 trustees are 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 trustees 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 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. We noted no additional laws and regulations in this context for the UK operations.

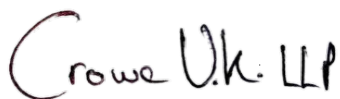
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London

Date: 15 July 2024

Crowe U.K. 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.

The Inner Temple Benefactors' Scholarship Fund

Statement of Financial Activities for the year ended 31 December 2023

	Notes	Restricted Income £	Expendable Endowment	Permanent Endowment £	Total 2023 £	Restricted Income	Expendable Endowment	Permanent Endowment	Total 2022 £
Income endowments from									
Donations and legacies		16,992	-	-	16,992	58,896	-	-	58,896
Other trading activities	2(a)	78,000	-	-	78,000	78,000	-	-	78,000
Income from investments	2(b)	67,338	-	-	67,338	53,525	-	-	53,525
Other income		205	-	-	205	108	-	-	108
Total income and endowments		162,535	-	-	162,535	190,529	-	-	190,529
Expenditure on raising funds									
Investment managers' charges		33,732	-	-	33,732	33,179	-	-	33,179
Bank charges and office costs		16	-	-	16	56	-	-	56
		33,748	-	-	33,748	33,235	-	-	33,235
Expenditure on charitable activities									
Scholarships payable	3	121,151	-	-	121,151	120,564	-	-	120,564
Contribution to purchase of library books		3,778	-	-	3,778	3,232	-	-	3,232
		124,929	-	-	124,929	123,796	-	-	123,796
Support cost	4	46,869	-	-	46,869	48,979	-	-	48,979
Total expenditure		205,546	-	-	205,546	206,010	-	-	206,010
Net gains on investments	5d	-	399,550	153,785	553,335	-	(336,583)	(155,160)	(491,743)
Net (expenditure)/ income		(43,011)	399,550	153,785	510,324	(15,481)	(336,583)	(155,160)	(507,224)
Transfer between funds		33,257	(30,401)	(2,856)	-	33,061	(29,869)	(3,192)	-
Net movement in funds		(9,754)	369,149	150,929	510,324	17,580	(366,452)	(158,352)	(507,224)
Fund balances brought forward At 1 January 2023		106,556	3,440,316	1,581,790	5,128,662	88,976	3,806,768	1,740,142	5,635,886
Fund balances carried forward									
At 31 December 2023		96,802	3,809,465	1,732,719	5,638,986	106,556	3,440,316	1,581,790	5,128,662

All the above amounts relate to continuing activities.
The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Balance Sheet as at 31 December 2023

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2023 £	Total 2022 £
Fixed assets						
Investments	5	-	3,809,465	1,732,719	5,542,184	5,022,106
Current assets						
Debtors	6	41,370	-	-	41,370	34,111
Cash at bank and in hand	7	132,733	-	-	132,733	137,475
		174,103	-	-	174,103	171,586
Creditors: amounts falling due						
Within one year	8	(77,301)	-	-	(77,301)	(65,030)
Net current assets/ (liabilities)		96,802	-	-	96,802	106,556
Total assets less current liabilities	10	96,802	3,809,465	1,732,719	5,638,986	5,128,662
Represented by:						
The Benefactors' Fund		53,942	-	869,685	923,627	852,595
The Peter Taylor Fund		-	-	540,463	540,463	492,519
The Woolfe Summerfield Fund		-	-	322,571	322,571	294,609
The Pegasus Scholarship Trust Fund:						
The Pegasus Fund 'A'		23,276	3,428,519	-	3,451,795	3,124,747
The Pegasus Fund 'B'		19,584	380,946	-	400,530	364,192
	10 & 11	96,802	3,809,465	1,732,719	5,638,986	5,128,662

The financial statements on pages 10 to 21 were approved and authorised for issue by the Trustees on 9 July 2024 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The notes on pages 13 to 21 form part of these financial statements

The Inner Temple Benefactors' Scholarship Fund

Cash flow statement For the year ended 31 December 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<u>Net cash outflow provided by operating activities</u>	14	<u>(103,160)</u>	<u>(96,303)</u>
<u>Cash flow from investment activities</u>			
Dividends and interest from investments		65,165	53,250
Proceeds of sale of investments		789,948	807,092
Purchase of investments		<u>(756,696)</u>	<u>(774,031)</u>
<u>Net cash provided by investing activities</u>		<u>98,417</u>	<u>86,311</u>
Cash and cash equivalents in the reporting period		<u>(4,743)</u>	<u>(9,992)</u>
Cash and cash equivalents at the beginning of the reporting period	15	<u>137,475</u>	<u>147,467</u>
<u>Cash and cash equivalents at the end of the reporting period</u>	15	<u>132,732</u>	<u>137,475</u>

The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Inner Temple Benefactors' Scholarship Fund constitutes a public benefit entity as defined by FRS 102.

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 6

Having regard to the above, the current cash position, and expected cashflow over the following twelve months the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty

Sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies. No specific accounting judgements and uncertainties have been identified for the current year.

c) Investments

Investments are included in the accounts at fair value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities as net gains/losses on investments.

d) Financial instruments

The Inner Temple Benefactors' Scholarship Fund has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023

e) Income

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known as probable and measurable.

f) Expenditure

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the Charity's objectives. Grants, prizes and scholarships are accounted for when awarded. The costs of generating funds relate to the management of the Charity's assets.

g) The Inner Temple Benefactors' Scholarship Fund

The Inner Temple Benefactors' Scholarship Fund is an approved scheme whereby the charities listed below are administered and managed together as one charity. The Charity Commissioners approved the scheme in 1995.

Charities included in scheme:

Jardine Studentship	Cecile Yahuda Scholarship
Poland Prize	Elfreda Edwards Scholarship
Struben Bequest	Peta Fordham Scholarship
Ashworth Charity	Sweet & Maxwell Prize
Horace Avory Scholarship	The Joseph Priestley Scholarship
Wilfred Clothier Scholarship	Solk Scholarship
Frank and Burris Gahan Scholarship	Yarborough-Anderson Scholarship
Michael Hodge Scholarship Trust Fund	Profumo Scholarship
Neville Laski Scholarship Charity	Allan Levy Awards
The Inner Temple Law Scholarships	Philip Teichman Award
David Hughes Parry Prize	Paul Methven Scholarship
Basil Nield Scholarship Charity	The Rachel Lawrence Scholarship
Otto Rix Scholarship	Leonard Woodley Scholarship
Geoffrey Veale Scholarship Fund	

h) Taxation

The Inner Temple Benefactors' Scholarship Fund is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2(a) Contributions from the Inns

The four Inns of Court (The Honourable Society of Gray's Inn, The Honourable Society of the Inner Temple, The Honourable Society of the Middle Temple and The Honourable Society of Lincoln's Inn) each made an annual donation of £19,500 (2022 - £19,500) towards The Pegasus Scholarship Trust Fund.

The Honourable Society of the Inner Temple also pays the Charity's audit fees.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023

2(b) Investment income	2023	2022
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	7,782	7,091
Foreign equities	-	5
Fixed interest	2,940	1,856
The Woolfe Summerfield Bequest Fund		
UK equities	2,898	2,477
Foreign equities	-	3
Fixed interest	990	792
The Peter Taylor Fund		
UK equities	4,892	4,519
Foreign equities	-	5
Fixed interest	1,620	914
The Pegasus Scholarship Trust Fund		
UK equities	4,344	4,790
Foreign equities	20,407	18,096
Fixed interest	21,465	12,977
	<u>67,338</u>	<u>53,525</u>
3. Scholarships payable, awarded to individuals	2023	2022
	£	£
The Inner Temple Benefactors' Scholarship Fund: 24 (2022: 24)	15,975	20,680
The Peter Taylor Scholarship Fund: 1 (2022: 1)	22,000	22,000
The Pegasus Scholarship Trust Fund: 23 (2022: 22)	83,176	77,884
	<u>121,151</u>	<u>120,564</u>
4. Support cost	2023	2022
	£	£
Administration costs allocated by the Inner Temple	40,886	43,410
Other costs	5,983	5,569
	<u>46,869</u>	<u>48,979</u>
5. Investments		
(a) Reconciliation of movement in investment assets	2023	2022
	£	£
Market value at 1 January 2023	5,022,106	5,546,910
Additions to investments at cost	655,561	576,657
Less: Disposals at carrying value	(680,207)	(635,116)
Net gains/ (loss) on revaluation	544,724	(466,345)
	<u>5,542,184</u>	<u>5,022,106</u>
Market value at 31 December 2023		

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

(b) Analysis of Investments:	2023	2022
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	779,611	688,318
Foreign equities	-	-
Fixed interest	23,634	61,219
Cash	66,442	45,125
The Woolfe Summerfield Bequest Fund		
UK equities	291,060	261,901
Foreign equities	-	-
Fixed interest	9,848	21,419
Cash		11,289
	21,662	
The Peter Taylor Fund		
UK equities	488,625	439,146
Foreign equities	-	-
Fixed interest	11,817	32,540
Cash	40,021	20,833
The Pegasus Scholarship Trust Fund		
UK equities	401,102	273,163
Foreign equities	2,245,832	2,007,323
Fixed interest	819,478	916,934
Cash	343,053	242,896
	<u>5,542,184</u>	<u>5,022,106</u>
Historical cost at 31 December	<u>4,108,970</u>	<u>4,036,276</u>
(c) Reconciliation of movements in unrealised gains on investment assets	2023	2022
	£	£
Unrealised gain at 1 January 2023	989,619	1,649,052
Write back gain on disposal of investments	(101,128)	(192,590)
Unrealised gain/ (loss) for the year	544,724	(466,843)
	<u>1,433,215</u>	<u>989,619</u>
(d) Net gains / (losses) on investment	2023	2022
	£	£
Unrealised gain/ (loss)	544,723	(466,843)
Realised gain/ (loss)	8,612	(24,900)
Net gain/ (loss) on investment at 31 December 2023	<u>553,335</u>	<u>(491,743)</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

6. Debtors		2023	2022
		£	£
Dividend income		6,378	3,994
Amounts due from the Inns of Court		19,500	19,500
Amount due from the Scholarship Fund		15,492	10,617
		<u>41,370</u>	<u>34,111</u>
7. Cash at bank and in hand		2023	2022
		£	£
Current account		122,466	122,336
Deposit account		10,267	15,139
		<u>132,733</u>	<u>137,475</u>
8. Creditors: amounts falling due within one year		2023	2022
	Note	£	£
Accrued expenditure		10,246	9,766
Other creditors		20,443	12,364
Amount due to Inner Temple	16	46,612	42,900
		<u>77,301</u>	<u>65,030</u>
9. Financial instruments			
Financial assets and liabilities		2023	2022
		£	£
Financial assets measured at fair value		5,542,184	5,022,106

The Charity's income, expense, gains and losses in respect of these financial instruments are summarised below:

	2023	2022
	£	£
Total income for financial assets held at fair value	6,378	3,994
Total gains for financial assets held at fair value	1,490,632	1,120,980
Total losses for financial assets held at fair value	57,417	110,769

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

10. Funds

(a) Permanent Endowment Funds

	Balance at 1 Jan 2023	Capital Additions	Gains	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	794,662	-	76,509	(1,486)	869,685
The Peter Taylor Fund	492,519	-	48,757	(813)	540,463
The Woolfe Summerfield Bequest Fund	294,609	-	28,520	(557)	322,571
	1,581,790	-	153,786	(2,856)	1,732,719

	Balance at 1 Jan 2022	Capital Additions	Losses	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	873,377	-	(77,092)	(1,623)	794,662
The Peter Taylor Fund	542,769	-	(49,304)	(946)	492,519
The Woolfe Summerfield Bequest Fund	323,996	-	(28,764)	(623)	294,609
	1,740,142	-	(155,160)	(3,192)	1,581,790

(b) Expendable Endowment Funds

	Balance at 1 Jan 2023	Capital Additions	Gains	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,440,316	-	399,550	(30,401)	3,809,465

	Balance at 1 Jan 2022	Capital Additions	Losses	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,806,768	-	(336,583)	(29,869)	3,440,316

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

(c) Restricted Income Funds

	Balance at 1 Jan 2023	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2023
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	57,933	12,220	(17,697)	1,486	53,942
The Peter Taylor Fund	-	22,209	(23,022)	813	-
The Woolfe Summerfield Bequest Fund	-	3,888	(4,445)	557	-
The Pegasus Scholarship Trust Fund	48,623	124,218	(160,382)	30,401	42,860
	106,556	162,535	(205,546)	33,257	96,802

	Balance at 1 Jan 2022	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	21,547	57,232	(22,469)	1,623	57,933
The Peter Taylor Fund	5,912	16,162	(23,020)	946	-
The Woolfe Summerfield Bequest Fund	-	3,272	(3,895)	623	-
The Pegasus Scholarship Trust Fund	61,517	113,863	(156,626)	29,869	48,623
	88,976	190,529	(206,010)	33,061	106,556

11. Analysis of net assets

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2023
	£	£	£	£	£
Fixed assets:					
Investments	869,685	540,463	322,571	3,809,465	5,542,184
Current assets:					
Debtors	124	15,554	52	25,640	41,370
Cash at bank and in hand	70,477	6,864	3,989	51,403	132,733
Creditors: amounts falling due within one year	(16,659)	(22,418)	(4,041)	(34,183)	(77,301)
	923,627	540,463	322,571	3,852,325	5,638,986

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2022
	£	£	£	£	£
Fixed assets:					
Investments	794,662	492,519	294,609	3,440,316	5,022,106
Current assets:					
Debtors	111	10,673	39	23,288	34,111
Cash at bank and in hand	74,216	11,736	3,452	48,071	137,475
Creditors: amounts falling due within one year	(16,394)	(22,409)	(3,491)	(22,736)	(65,030)
	<u>852,595</u>	<u>492,519</u>	<u>294,609</u>	<u>3,488,939</u>	<u>5,128,662</u>

12. Trustees

None of the Trustees received any reimbursement of expenses or remuneration for their services during the year.

13. Audit fees

The Charity's audit fees are paid by the Honourable Society of the Inner Temple. The Society paid £4,280 ex VAT on account of the audit fees in 2023 (2022 - £4,075 ex VAT).

14. Reconciliation of cash inflow from operating activities

	2023 £	2022 £
Net income/ (expenditure) for the reporting period	510,324	(507,224)
(Gains)/ losses on investments	(553,335)	491,743
Dividends	(67,338)	(53,525)
Other income	(206)	(108)
Operating deficit	(110,555)	(69,114)
Increase in debtors	(4,876)	(10,617)
Increase/ (decrease) in creditors	12,271	(16,572)
Net cash outflow provided by operating activities	<u>(103,160)</u>	<u>(96,303)</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2023 (continued)

15. (a) Analysis of short-term deposits and cash at bank as shown in the balance sheet

	<u>At 1 Jan</u> <u>2023</u>	<u>Cashflow</u>	<u>At 31 Dec</u> <u>2023</u>
	£	£	£
Short-term deposits	15,139	(4,872)	10,267
Cash at bank	122,336	129	122,465
Cash and bank balances	<u>137,475</u>	<u>(4,743)</u>	<u>132,732</u>

(b) Reconciliation of net cash flow to movement in net cash

	£
Decrease in cash and short-term deposits	<u>4,743</u>
Net cash at 1 January 2023	<u>137,475</u>
Net cash at 31 December 2023	<u>132,732</u>

16. Related party transactions

The Honourable Society of the Inner Temple paid £19,500 towards the Pegasus Trust scholarships awarded in 2023 (2022 - £78,000). The Inner Temple also paid the Benefactors' Scholarship Fund's audit fees of £4,280 ex VAT (2022 - £4,075 ex VAT).

The Pegasus Scholarship Trust paid £40,886 with regards to staff costs administered by the Inner Temple in 2023 (2022 - £43,410).

In 2023 The Inner Temple Benefactors' Scholarship Fund contributed the following amounts to the cost of the Inn's scholarship awards:

	2023	2022
	£	£
Benefactors' Scholarship Fund	15,975	20,680
Woolfe Summerfield Bequest Fund	3,778	2,891
Peter Taylor Fund	22,000	22,000

The amount of £46,612 in creditors (Note 8) represents the contributions due to the Inner Temple as at 31 December 2023 (2022 - £42,900). This balance is unsecured, interest -free and payable on demand.

The Inner Temple Scholarship Fund transferred £15,492 to the Inner Temple Benefactors' Scholarship Fund to meet the balance of the cost of the Peter Taylor Scholarship in 2023 (2022 - £10,617). The amount of £15,492 in debtors (Note 6) represents the contribution due to the Peter Taylor Fund (2022 - £10,617).

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales - Charity number 1056609

Accounts



**THE INNER TEMPLE BENEFACTORS'
SCHOLARSHIP FUND**

Financial Statements

31 December 2022

Registered Charity No 1056609

The Inner Temple Benefactors' Scholarship Fund

Index to the financial statements for the year ended 31 December 2022

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The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2022

Objectives and activities

The Inner Temple Benefactors' Scholarship Fund is a registered charity comprising four individual funds: The Inner Temple Benefactors' Scholarship Fund, The Pegasus Scholarship Trust Fund, The Woolfe Summerfield Bequest Fund and The Peter Taylor Scholarship Fund. Each of the four funds was established by gifts or legacies for the purpose of paying scholarships or purchasing Library books. The specific objectives of each fund are as follows:

The Inner Temple Benefactors' Scholarship Fund:

The advancement of education in the law, and in particular the provision of scholarships, prizes, grants and awards to persons who are studying the law, being students or young barrister members of the Society.

The Pegasus Scholarship Trust Fund:

The advancement of legal education among students and young barristers whether or not being members of the Honourable Society of the Inner Temple and among any other persons by such means as are charitable and particularly by the means of the award of scholarships and grants.

The Woolfe Summerfield Bequest Fund:

The purchase of library books.

The Peter Taylor Scholarship Fund:

The provision of a scholarship for an outstanding student member of the Honourable Society of the Inner Temple who either has entered or undertakes to enter for the Bar Professional Training Course which commences during the year in which the scholarship is awarded or, at the discretion of the Scholarships Committee of the Society, during the next following year.

The funds are all invested with Veritas Investment Management. Investment policy is supervised on behalf of the Trustees by the Investment Sub-Committee of the Honourable Society of the Inner Temple. Decisions about the award of scholarships are made by the Scholarships Committee of the Honourable Society of the Inner Temple and, in the case of the Pegasus Scholarship Trust, by a committee of all four Inns.

The Trustees have given due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

There were no significant changes to the eligibility criteria or the application process for scholarships, prizes and awards for any of the charities in the year. Awards made during the year were as follows:

- The Inner Temple Benefactors' Scholarship Fund awarded 24 scholarships and prizes to individuals during the year totalling £20,680 (2021 - £21,670).
- The Pegasus Scholarship Trust Fund awarded 22 outgoing scholarships and prizes in the year, of which one was deferred to 2023 and one was declined. Five awards deferred from 2020, and four awards deferred from 2021, were paid in the reporting period. Total awards paid in 2022 were £77,884 (2021 - £13,218).
- The Peter Taylor Scholarship Fund awarded one scholarship of £22,000 which was deferred to 2023 (2021 - £22,000).

Financial review

All revenues are used for charitable activities.

Investments generated an overall negative return in 2022, net of fees, of 8.5% (2021 positive return: 19.4%).

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2022 (continued)

In 2022 the Benefactors' Fund received the following generous donations: £43,001 from Evan Stone, £5,000 from the Monica Rabagliati Trust and £279 from A&J Parsons. The Charity also received £10,616 from the Inner Temple Scholarship Fund.

Principal risks and uncertainties

The Trustees have identified the major risks to which the fund is exposed and have satisfied themselves that adequate systems are in place to mitigate those risks.

The major risks are set out as follows:

- Currency risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rate;
- Interest rate risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in the market interest rate;
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Reserves policy

The Trustees aim to apply income as fully as possible in the year in which it arises, maintaining only a modest surplus each year to deal with adverse fluctuations in the returns from investments. The level of funds at the year-end was £5,128,662 (2021 – £5,635,886) including restricted income reserves of £106,556 (2021 - £88,976).

There are no free unrestricted reserves at the year-end for the Charity due to the nature of how the Charity operates. All income is generated and recognised within restricted funds from endowed investments during the year and subsequently this is spent on underlying activities of the Charity. The Charity's spend is adjusted to the income level generated in the year.

Transfer between funds

Transfer between funds represents the movement between restricted income and endowment funds, relating to the investment income and fees paid to the investment managers.

Investments policy and performance

The Trustees aim to maximise real return on a rolling five-year view with emphasis on capital growth with income. Investment performance during the year equated to a loss of 8.5% net of fees. Investment income on the Charity's funds is paid out by the manager (Veritas) to generate funds for the payment of scholarships.

Structure governance and management

The Charity's Trustees are the four Governing Benchers elected by the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple to act as Trustees of the Honourable Society. Legal title to the Charity's investments is vested in the four Trustees. They act in accordance with decisions made by the appropriate committees of the Bench, provided they are satisfied that those decisions have been properly reached and are within the power of the committee. The committees which make decisions affecting the Charity are the Investment Sub-Committee, the Scholarships and Outreach Committee and the Council of Management for the Pegasus Scholarship Trust.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2022 (continued)

New Trustees are advised of their role, duties and responsibilities on appointment, by reference to the Bench Table Orders of the Honourable Society of the Inner Temple.

Day-to-day management of the Charity is undertaken by the staff of the Honourable Society of the Inner Temple, acting in accordance with policies and procedures laid down by the Honourable Society.

The Charity's Trustees recognise the legal obligation to oversee and report on the Inner Temple Benefactors' Scholarship Fund's fundraising activities.

The Inner Temple Benefactors' Scholarship Fund does not use Direct Marketing for its fundraising activities and is not therefore registered with the Fundraising Regulator. It does not have any direct contact with vulnerable people hence no Vulnerable People Protection Policy is currently in place.

Any donations or bequests are welcome and given voluntarily, usually by members of the Inner Temple. Any Gift Aid forms are securely stored in order to protect donors' personal data. The personal data is used only for Gift Aid tax claims and is not used for mailing, distribution or other fundraising purposes. No Personal Data is sold to third parties.

Currently no third parties are used for fundraising purposes but if they are used in future the third parties would be expected to maintain a high standard of fundraising practice.

There were no fundraising complaints from donors or the general public in 2022 or any prior years. Any complaint would be taken seriously and investigated thoroughly.

Investment Sub-Committee

This sub-committee comprises Benchers and other members of the Honourable Society of the Inner Temple. Among the Bencher members are Honorary Benchers chosen for their particular expertise in investment matters. The Sub-Committee meets quarterly to review investment performance and to consider changes to policy. It is advised by an independent investment manager.

Scholarships and Outreach Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. It meets throughout the year to set policy for the awarding of scholarships and to assess applications. Awards are made to students and junior barristers by the Honourable Society of the Inner Temple. The Charity makes grants to the Inn in accordance with the terms of the bequests of which it is comprised.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2022 (continued)

References and administration

Charity Name & No:	The Inner Temple Benefactors' Scholarship Fund includes the following charities registered under the charity number 1056609: The Inner Temple Benefactors' Scholarship Fund (comprising the funds listed in Note 1(g) to the accounts) The Pegasus Scholarship Trust Fund The Woolfe Summerfield Bequest Fund The Peter Taylor Fund	
Governing Instruments:	The Inner Temple Benefactors' Scholarship Fund: scheme made by the Charity Commissioners dated 14 August 1995 The Woolfe Summerfield Bequest Fund is governed by the terms of the will of Woolfe Summerfield The Pegasus Scholarship Trust Fund: trust deed dated 13 March 1988 The Peter Taylor Scholarship Fund is governed by regulations dated 23 July 1997	
Trustees:	The Trustees of the Inner Temple Benefactors' Scholarship Fund are: The Rt Hon Sir Stephen Tomlinson The Rt Hon Lord Justice Nugee David Pittaway KC Penelope Reed KC as nominees of the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple, who act in accordance with their usual procedure. The Trustees of the Pegasus Scholarship Trust Fund, set up by the trust deed, are: The Rt Hon Sir Stephen Tomlinson The Rt Hon Lord Justice Nugee David Pittaway KC Penelope Reed KC	
Principal Address:	Inner Temple London EC4Y 7HL	
Bankers:	Royal Bank of Scotland 9-13 Paternoster Row London EC4M 7EJ	
Solicitors:	Forsters LLP 31 Hill Street London W1J 5LS	Lewis Silkin LLP 5 Chancery Lane, Clifford's Inn London EC4A 1BL
Auditors:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW	
Investment Managers:	Veritas Investment Management LLP Riverside House 2A Southwark Bridge Road London SE1 9HA	
Investment Powers:	The Trustees have wide powers of investment.	

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31 December 2022 (continued)

Council of Management for the Pegasus Scholarship Trust

The Council of Management comprises Benchers and other members of all four Inns of Court; the Honourable Societies of Gray's Inn, the Inner Temple, Lincoln's Inn and Middle Temple.

The Council makes awards from the Pegasus Scholarship Fund to finance UK and overseas barristers in gaining international work experience.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees 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 Trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved for the Trustees on 26 October 2023 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund

Opinion

We have audited the financial statements of the Inner Temple Benefactors' Scholarship Fund ('the charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including 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 December 2022 and of its income and expenditure, 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 that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 determine 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 trustees are 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 trustees 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 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. We noted no additional laws and regulations in this context for the UK operations.

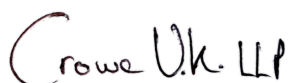
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP
Statutory Auditor
London

Date: 30 October 2023

Crowe U.K. 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.

The Inner Temple Benefactors' Scholarship Fund

Statement of Financial Activities for the year ended 31 December 2022

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2022 £	Restricted Income	Expendable Endowment	Permanent Endowment	Total 2021 £
Income endowments from									
Donations and legacies		58,896	-	-	58,896	3,500	-	-	3,500
Other trading activities	2(a)	78,000	-	-	78,000	78,000	-	-	78,000
Income from investments	2(b)	53,633	-	-	53,633	48,120	-	-	48,120
Total income and endowments		190,529	-	-	190,529	129,620	-	-	129,620
Expenditure on raising funds									
Investment managers' charges		33,179	-	-	33,179	32,476	-	-	32,476
Bank charges and office costs		56	-	-	56	3	-	-	3
		33,235	-	-	33,235	32,479	-	-	32,479
Expenditure on charitable activities									
Scholarships payable	3	120,564	-	-	120,564	56,888	-	-	56,888
Contribution to purchase of library books		3,232	-	-	3,232	3,374	-	-	3,374
		123,796	-	-	123,796	60,262	-	-	60,262
Support cost	4	48,979	-	-	48,979	48,005	-	-	48,005
Total expenditure		206,010	-	-	206,010	140,746	-	-	140,746
Net gains on investments	5d	-	(336,583)	(155,160)	(491,743)	-	652,345	235,928	888,273
Net (expenditure)/ income		(15,481)	(336,583)	(155,160)	(507,224)	(11,126)	652,345	235,928	877,147
Transfer between funds		33,061	(29,869)	(3,192)	-	33,847	(30,282)	(3,565)	-
Net movement in funds		17,580	(366,452)	(158,352)	(507,224)	22,721	622,063	232,363	877,147
Fund balances brought forward At 1 January 2022		88,976	3,806,768	1,740,142	5,635,886	66,255	3,184,705	1,507,779	4,758,739
Fund balances carried forward									
At 31 December 2022		106,556	3,440,316	1,581,790	5,128,662	88,976	3,806,768	1,740,142	5,635,886

All the above amounts relate to continuing activities.
The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Balance Sheet as at 31 December 2022

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2022 £	Total 2021 £
Fixed assets						
Investments	5	-	3,440,316	1,581,790	5,022,106	5,546,910
Current assets						
Debtors	6	34,111	-	-	34,111	23,111
Cash at bank and in hand	7	137,475	-	-	137,475	147,467
		<u>171,586</u>	<u>-</u>	<u>-</u>	171,586	170,578
Creditors: amounts falling due						
Within one year	8	(65,030)	-	-	(65,030)	(81,602)
Net current assets/ (liabilities)		<u>106,556</u>	<u>-</u>	<u>-</u>	106,556	88,976
Total assets less current liabilities	10	<u>106,556</u>	<u>3,440,316</u>	<u>1,581,790</u>	5,128,662	5,635,886
Represented by:						
The Benefactors' Fund		57,933	-	794,662	852,595	894,924
The Peter Taylor Fund		-	-	492,519	492,519	548,681
The Woolfe Summerfield Fund		-	-	294,609	294,609	323,996
The Pegasus Scholarship Trust Fund:						
The Pegasus Fund 'A'		28,463	3,096,284	-	3,124,747	3,471,051
The Pegasus Fund 'B'		<u>20,160</u>	<u>344,032</u>	<u>-</u>	364,192	397,234
	10 & 11	<u>106,556</u>	<u>3,440,316</u>	<u>1,581,790</u>	5,128,662	5,635,886

The financial statements on pages 10 to 21 were approved and authorised for issue by the Trustees on 26 October 2023 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The notes on pages 13 to 21 form part of these financial statements

The Inner Temple Benefactors' Scholarship Fund

Cash flow statement For the year ended 31 December 2022

	<u>Note</u>	<u>2022</u>	<u>2021</u>
<u>Net cash outflow provided by operating activities</u>	14	<u>(96,303)</u>	<u>(148,015)</u>
<u>Cash flow from investment activities</u>			
Dividends and interest from investments		53,250	47,596
Proceeds of sale of investments		807,092	797,738
Purchase of investments		<u>(774,031)</u>	<u>(763,891)</u>
<u>Net cash provided by investing activities</u>		<u>86,311</u>	<u>81,443</u>
Cash and cash equivalents in the reporting period		<u>(9,992)</u>	<u>(66,572)</u>
Cash and cash equivalents at the beginning of the reporting period	15	<u>147,467</u>	<u>214,039</u>
<u>Cash and cash equivalents at the end of the reporting period</u>	15	<u>137,475</u>	<u>147,467</u>

The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Inner Temple Benefactors' Scholarship Fund constitutes a public benefit entity as defined by FRS 102.

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 5.

Having regard to the above, the current cash position, and expected cashflow over the following twelve months the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty

Sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies. No specific accounting judgements and uncertainties have been identified for the current year.

c) Investments

Investments are included in the accounts at fair value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities as net gains/losses on investments.

d) Financial instruments

The Inner Temple Benefactors' Scholarship Fund has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022

e) **Income**

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known as probable and measurable.

f) **Expenditure**

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the Charity's objectives. Grants, prizes and scholarships are accounted for when awarded. The costs of generating funds relate to the management of the Charity's assets.

g) **The Inner Temple Benefactors' Scholarship Fund**

The Inner Temple Benefactors' Scholarship Fund is an approved scheme whereby the charities listed below are administered and managed together as one charity. The Charity Commissioners approved the scheme in 1995.

Charities included in scheme:

Jardine Studentship	Cecile Yahuda Scholarship
Poland Prize	Elfreda Edwards Scholarship
Struben Bequest	Peta Fordham Scholarship
Ashworth Charity	Sweet & Maxwell Prize
Horace Ivory Scholarship	The Joseph Priestley Scholarship
Wilfred Clothier Scholarship	Solk Scholarship
Frank and Burris Gahan Scholarship	Yarborough-Anderson Scholarship
Michael Hodge Scholarship Trust Fund	Profumo Scholarship
Neville Laski Scholarship Charity	Allan Levy Awards
The Inner Temple Law Scholarships	Philip Teichman Award
David Hughes Parry Prize	Paul Methven Scholarship
Basil Nield Scholarship Charity	The Rachel Lawrence Scholarship
Otto Rix Scholarship	Leonard Woodley Scholarship
Geoffrey Veale Scholarship Fund	

h) **Taxation**

The Inner Temple Benefactors' Scholarship Fund is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

2(a) **Contributions from the Inns**

The four Inns of Court (The Honourable Society of Gray's Inn, The Honourable Society of the Inner Temple, The Honourable Society of the Middle Temple and The Honourable Society of Lincoln's Inn) each made an annual donation of £19,500 (2021 - £19,500) towards The Pegasus Scholarship Trust Fund.

The Honourable Society of the Inner Temple also pays the Charity's audit fees.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022

2(b) Investment income	2022	2021
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	7,091	7,597
Foreign equities	5	394
Fixed interest	1,856	1,260
The Woolfe Summerfield Bequest Fund		
UK equities	2,477	2,812
Foreign equities	3	191
Fixed interest	792	395
The Peter Taylor Fund		
UK equities	4,519	4,839
Foreign equities	5	172
Fixed interest	914	619
The Pegasus Scholarship Trust Fund		
UK equities	4,790	3,076
Foreign equities	18,096	20,724
Fixed interest	12,977	6,034
	<u>53,525</u>	<u>48,113</u>
3. Scholarships payable, awarded to individuals	2022	2021
	£	£
The Inner Temple Benefactors' Scholarship Fund: 24 (2021: 25)	20,680	21,670
The Peter Taylor Scholarship Fund: 1 (2021: 1)	22,000	22,000
The Pegasus Scholarship Trust Fund: 22 (2021: 3)	77,884	13,218
	<u>120,564</u>	<u>56,888</u>
4. Support cost	2022	2021
	£	£
Administration costs allocated by the Inner Temple	43,410	47,155
Other costs	5,569	850
	<u>48,979</u>	<u>48,005</u>
5. Investments		
(a) Reconciliation of movement in investment assets	2022	2021
	£	£
Market value at 1 January 2022	5,546,910	4,692,484
Additions to investments at cost	576,65	438,469
Less: Disposals at carrying value	(635,116)	(383,525)
Net (loss)/ gain on revaluation	(466,345)	799,482
	<u>5,022,106</u>	<u>5,546,910</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

(b) Analysis of Investments:	2022	2021
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	688,318	765,597
Foreign equities	-	-
Fixed interest	61,219	90,548
Cash	45,125	17,232
The Woolfe Summerfield Bequest Fund		
UK equities	261,901	290,786
Foreign equities	-	-
Fixed interest	21,419	23,931
Cash	11,289	9,279
The Peter Taylor Fund		
UK equities	439,146	488,630
Foreign equities	-	-
Fixed interest	32,540	36,060
Cash	20,833	18,079
The Pegasus Scholarship Trust Fund		
UK equities	273,163	273,096
Foreign equities	2,007,323	2,227,636
Fixed interest	916,934	917,535
Cash	242,896	388,501
	<u>5,022,106</u>	<u>5,546,910</u>
Historical cost at 31 December	<u>4,036,276</u>	<u>3,897,858</u>
(c) Reconciliation of movements in unrealised gains on investment assets	2022	2021
	£	£
Unrealised gain at 1 January 2022	1,649,052	1,174,991
Write back loss on disposal of investments	(192,590)	(325,421)
Unrealised (loss) / gain for the year	(466,843)	799,482
	<u>989,619</u>	<u>1,649,052</u>
(d) Net gains / (losses) on investment	2022	2021
	£	£
Unrealised (loss) / gain	(466,843)	799,482
Realised (loss) / gain	(24,900)	88,791
Net (loss) / gain on investment at 31 December 2022	<u>(491,743)</u>	<u>888,273</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

6. Debtors

	2022	2021
	£	£
Dividend income	3,994	3,611
Amounts due from the Inns of Court	19,500	19,500
Amount due from the Scholarship Fund	10,617	-
	<u>34,111</u>	<u>23,111</u>

7. Cash at bank and in hand

	2022	2021
	£	£
Current account	122,336	93,810
Deposit account	15,139	53,657
	<u>137,475</u>	<u>147,467</u>

8. Creditors: amounts falling due within one year

	Note	2022	2021
		£	£
Accrued expenditure		9,766	10,268
Other creditors		12,364	23,578
Amount due to Inner Temple	16	42,900	47,756
		<u>65,030</u>	<u>81,602</u>

9. Financial instruments

Financial assets and liabilities

	2022	2021
	£	£
Financial assets measured at fair value	5,022,106	5,546,910

The Charity's income, expense, gains and losses in respect of these financial instruments are summarised below:

	2022	2021
	£	£
Total income for financial assets held at fair value	3,994	3,611
Total gains for financial assets held at fair value	1,120,980	1,654,496
Total losses for financial assets held at fair value	110,769	5,445

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

10. Funds

(a) Permanent Endowment Funds

	Balance at 1 Jan 2022	Capital Additions	Losses	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	873,377	-	(77,092)	(1,623)	794,662
The Peter Taylor Fund	542,769	-	(49,304)	(946)	492,519
The Woolfe Summerfield Bequest Fund	323,996	-	(28,764)	(623)	294,609
	1,740,142	-	(155,160)	(3,192)	1,581,790

	Balance at 1 Jan 2021	Capital Additions	Gains	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	758,510	-	116,596	(1,729)	873,377
The Peter Taylor Fund	468,891	-	75,078	(1,200)	542,769
The Woolfe Summerfield Bequest Fund	280,378	-	44,254	(636)	323,996
	1,507,779	-	235,928	(3,565)	1,740,142

(b) Expendable Endowment Funds

	Balance at 1 Jan 2022	Capital Additions	Losses	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,806,768	-	(336,583)	(29,869)	3,440,316

	Balance at 1 Jan 2021	Capital Additions	Gains	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,184,705	-	652,345	(30,282)	3,806,768

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

(c) Restricted Income Funds

	Balance at 1Jan 2022	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	21,547	57,232	(22,469)	1,623	57,933
The Peter Taylor Fund	5,912	16,162	(23,020)	946	-
The Woolfe Summerfield Bequest Fund	-	3,272	(3,895)	623	-
The Pegasus Scholarship Trust Fund	61,517	113,863	(156,626)	29,869	48,623
	88,976	190,529	(206,010)	33,061	106,556

	Balance at 1Jan 2021	Incoming resources	Expenditure	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	30,519	12,751	(23,452)	1,729	21,547
The Peter Taylor Fund	22,090	5,637	(23,015)	1,200	5,912
The Woolfe Summerfield Bequest Fund	-	3,398	(4,034)	636	-
The Pegasus Scholarship Trust Fund	13,646	107,834	(90,245)	30,282	61,517
□	66,255	129,620	(140,746)	33,847	88,976

11. Analysis of net assets

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2022
	£	£	£	£	£
Fixed assets:					
Investments	794,662	492,519	294,609	3,440,316	5,022,106
Current assets:					
Debtors	111	10,673	39	23,288	34,111
Cash at bank and in hand	74,216	11,736	3,452	48,071	137,475
Creditors: amounts falling due within one year	(16,394)	(22,409)	(3,491)	(22,736)	(65,030)
	852,595	492,519	294,609	3,488,939	5,128,662

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2021
	£	£	£	£	£
Fixed assets:					
Investments	873,377	542,769	323,996	3,806,768	5,546,910
Current assets:					
Debtors	192	76	51	22,792	23,111
Cash at bank and in hand	43,721	28,257	3,588	71,901	147,467
Creditors: amounts falling due within one year	(22,366)	(22,421)	(3,639)	(33,176)	(81,602)
	<u>894,924</u>	<u>548,681</u>	<u>323,996</u>	<u>3,868,285</u>	<u>5,635,886</u>

12. Trustees

None of the Trustees received any reimbursement of expenses or remuneration for their services during the year.

13. Audit fees

The Charity's audit fees are paid by the Honourable Society of the Inner Temple. The Society paid £4,890 on account of the audit fees in 2022 (2021 - £4,290).

14. Reconciliation of cash inflow from operating activities

	2022 £	2021 £
Net (expenditure)/ income for the reporting period	(507,224)	877,147
Losses / (gains) on investments	491,743	(888,273)
Dividends	(53,633)	(48,120)
Other income		
Operating deficit	<u>(69,114)</u>	<u>(59,246)</u>
Increase in debtors	(10,617)	(18,000)
Decrease in creditors	(16,572)	(70,769)
Net cash outflow provided by operating activities	<u>(96,303)</u>	<u>(148,015)</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31 December 2022 (continued)

15. (a) Analysis of short-term deposits and cash at bank as shown in the balance sheet

	<u>At 1 Jan</u> <u>2022</u>	<u>Cashflow</u>	<u>At 31 Dec</u> <u>2022</u>
	£	£	£
Short-term deposits	53,657	(38,518)	15,139
Cash at bank	93,810	28,526	122,336
Cash and bank balances	<u>147,467</u>	<u>(9,992)</u>	<u>137,475</u>

(b) Reconciliation of net cash flow to movement in net cash

	£
Decrease in cash and short-term deposits	<u>(9,992)</u>
Net cash at 1 January 2022	<u>147,467</u>
Net cash at 31 December 2022	<u>137,475</u>

16. Related party transactions

The Honourable Society of the Inner Temple paid £78,000 towards the Pegasus Trust scholarships awarded in 2022 (2021 - £78,000). The Inner Temple also paid the Benefactors' Scholarship Fund's audit fees of £4,890 (2021 - £4,290).

The Pegasus Scholarship Trust paid £43,410 with regards to staff costs administered by the Inner Temple in 2022 (2021 - £47,156).

In 2022 The Inner Temple Benefactors' Scholarship Fund contributed the following amounts to the cost of the Inn's scholarship awards:

	2022	2021
	£	£
Benefactors' Scholarship Fund	20,680	21,670
Woolfe Summerfield Bequest Fund	2,891	2,102
Peter Taylor Fund	22,000	22,000

The amount of £42,900 in creditors (Note 8) represents the contributions due to the Inner Temple as at 31 December 2022 (2021 - £47,756). This balance is unsecured, interest -free and payable on demand.

The Inner Temple Scholarship Fund transferred £10,617 to the Inner Temple Benefactors' Scholarship Fund to meet the balance of the cost of the Peter Taylor Scholarship in 2022 (2021 - £NIL). The amount of £10,617 in debtors (Note 6) represents the contribution due to the Peter Taylor Fund (2021 - £NIL).

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales - Charity number 1056609

Accounts



**THE INNER TEMPLE BENEFACTORS'
SCHOLARSHIP FUND**

Financial Statements

31st December 2021

Registered Charity No 1056609

The Inner Temple Benefactors' Scholarship Fund

Index to the financial statements for the year ended 31st December 2021

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The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2021

Objectives and activities

The Inner Temple Benefactors' Scholarship Fund is a registered charity comprising four individual funds: The Inner Temple Benefactors' Scholarship Fund, The Pegasus Scholarship Trust Fund, The Woolfe Summerfield Bequest Fund and The Peter Taylor Scholarship Fund. Each of the four funds was established by gifts or legacies for the purpose of paying scholarships or purchasing Library books. The specific objectives of each fund are as follows:

The Inner Temple Benefactors' Scholarship Fund:

The advancement of education in the law, and in particular the provision of scholarships, prizes, grants and awards to persons who are studying the law, being students or young barrister members of the Society.

The Pegasus Scholarship Trust Fund:

The advancement of legal education among students and young barristers whether or not being members of the Honourable Society of the Inner Temple and among any other persons by such means as are charitable and particularly by the means of the award of scholarships and grants.

The Woolfe Summerfield Bequest Fund:

The purchase of library books.

The Peter Taylor Scholarship Fund:

The provision of a scholarship for an outstanding student member of the Honourable Society of the Inner Temple who either has entered or undertakes to enter for the Bar Professional Training Course which commences during the year in which the scholarship is awarded or, at the discretion of the Scholarships Committee of the Society, during the next following year.

The funds are all invested with Veritas Investment Management. Investment policy is supervised on behalf of the Trustees by the Investment Committee of the Honourable Society of the Inner Temple. Decisions about the award of scholarships are made by the Scholarships Committee of the Honourable Society of the Inner Temple and, in the case of the Pegasus Scholarship Trust, by a committee of all four Inns.

The Trustees have given due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

There were no significant changes to the eligibility criteria or the application process for scholarships, prizes and awards for any of the charities in the year. Awards made during the year were as follows:

- The Inner Temple Benefactors' Scholarship Fund awarded 25 scholarships and prizes to individuals during the year totalling £21,670 (2020 - £19,850).
- The Pegasus Scholarship Trust Fund awarded 8 scholarships and prizes in the year, of which 6 were deferred to 2022. One deferred 2020 award was paid in the reporting period. Total awards paid in 2021 were £13,218 (2020 - £7,626).
- The Peter Taylor Scholarship Fund awarded one scholarship of £22,000 (2020 - £22,000).

Financial review

All revenues are used for charitable activities.

Investments performed extremely well in 2021, generating an overall return, net of fees, of 19.4% (2020: 12.7%).

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2021 (continued)

In 2020 the Benefactors' Fund received the following generous donations: £1,500 from Mr J. Jarman, £500 from Mr K. Reid and £1,500 from Mr E. Winters.

Principal risks and uncertainties

The Trustees have identified the major risks to which the fund is exposed and have satisfied themselves that adequate systems are in place to mitigate those risks.

The major risks are set out as follows:

- Currency risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rate;
- Interest rate risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in the market interest rate;
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Reserves policy

The Trustees aim to apply income as fully as possible in the year in which it arises, maintaining only a modest surplus each year to deal with adverse fluctuations in the returns from investments. The level of funds at the year-end was £5,635,886 (2020 – £4,758,739) including restricted income reserves of £88,976 (2020 - £66,255).

There are no free unrestricted reserves at the year-end for the charity due to the nature of how the charity operates. All income is generated and recognised within restricted funds from endowed investments during the year and subsequently this is spent on underlying activities of the charity. The Charity's spend is adjusted to the income level generated in the year.

Transfer between funds

Transfer between funds represents the movement between restricted income and endowment funds, relating to the investment income and fees paid to the investment managers.

Investments policy and performance

The Trustees aim to maximise real return on a rolling five-year view with emphasis on capital growth with income. Investment performance during the year equated to 19.4% net of fees. Investment income on the Charity's funds is paid out by the manager (Veritas) to generate funds for the payment of scholarships.

Structure governance and management

The Charity's Trustees are the four Governing Benchers elected by the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple to act as Trustees of the Honourable Society. Legal title to the Charity's investments is vested in the four Trustees. They act in accordance with decisions made by the appropriate committees of the Bench, provided they are satisfied that those decisions have been properly reached and are within the power of the committee. The committees which make decisions affecting the Charity are the Investment Committee, the Scholarships Committee and the Council of Management for the Pegasus Scholarship Trust.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2021 (continued)

New Trustees are advised of their role, duties and responsibilities on appointment, by reference to the Bench Table Orders of the Honourable Society of the Inner Temple.

Day-to-day management of the Charity is undertaken by the staff of the Honourable Society of the Inner Temple, acting in accordance with policies and procedures laid down by the Honourable Society.

The Charity's Trustees recognise the legal obligation to oversee and report on the Inner Temple Benefactors' Scholarship Fund's fundraising activities.

The Inner Temple Benefactors' Scholarship Fund does not use Direct Marketing for its fundraising activities and is not therefore registered with the Fundraising Regulator. It does not have any direct contact with vulnerable people hence no Vulnerable People Protection Policy is currently in place.

Any donations or bequests are welcome and given voluntarily, usually by members of the Inner Temple. Any Gift Aid forms are securely stored in order to protect donors' personal data. The personal data is used only for Gift Aid tax claims and is not used for mailing, distribution or other fundraising purposes. No Personal Data is sold to third parties.

Currently no third parties are used for fundraising purposes but if they are used in future the third parties would be expected to maintain a high standard of fundraising practice.

There were no fundraising complaints from donors or the general public in 2021 or any prior years. Any complaint would be taken seriously and investigated thoroughly.

Investment Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. Among the Bencher members are Honorary Benchers chosen for their particular expertise in investment matters. The Committee meets quarterly to review investment performance and to consider changes to policy. It is advised by an independent investment manager.

Scholarships Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. It meets throughout the year to set policy for the awarding of scholarships and to assess applications. Awards are made to students and junior barristers by the Honourable Society of the Inner Temple. The Charity makes grants to the Inn in accordance with the terms of the bequests of which it is comprised.

Coronavirus

The global pandemic has not led to any significant changes in the Charity's income or expenditure in the post balance sheet period.

Taking into account the balance sheet position and the impact of Covid-19 on the Charity's income streams and expenditure plans, the Trustees consider that the going concern assumption remains appropriate and the financial statements continue to be prepared on this basis.

The Trustees do not consider it necessary to make a reduction to the levels of funding budgeted for 2022.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2021 (continued)

References and administration

Charity Name & No: The Inner Temple Benefactors' Scholarship Fund includes the following charities registered under the charity number 1056609:

The Inner Temple Benefactors' Scholarship Fund (comprising the funds listed in Note 1(g) to the accounts)
The Pegasus Scholarship Trust Fund
The Woolfe Summerfield Bequest Fund
The Peter Taylor Fund

Governing Instruments: The Inner Temple Benefactors' Scholarship Fund: scheme made by the Charity Commissioners dated 14th August 1995

The Woolfe Summerfield Bequest Fund is governed by the terms of the will of Woolfe Summerfield

The Pegasus Scholarship Trust Fund: trust deed dated 13th March 1988

The Peter Taylor Scholarship Fund is governed by regulations dated 23rd July 1997

Trustees: The Trustees of the Inner Temple Benefactors' Scholarship Fund are:

The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC

as nominees of the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple, who act in accordance with their usual procedure.

The Trustees of the Pegasus Scholarship Trust Fund, set up by the trust deed, are:

The Rt Hon Sir Stephen Tomlinson
The Rt Hon Lord Justice Nugee
David Pittaway KC
Penelope Reed KC

Principal Address: Inner Temple
London
EC4Y 7HL

Bankers: Royal Bank of Scotland
9-13 Paternoster Row
London EC4M 7EJ

Solicitors: Forsters LLP
31 Hill Street
London W1J 5LS
Lewis Silkin LLP
5 Chancery Lane, Clifford's Inn
London EC4A 1BL

Auditors: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Investment Managers: Veritas Investment Management LLP
Riverside House
2A Southwark Bridge Road
London SE1 9HA

Investment Powers: The Trustees have wide powers of investment.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2021 (continued)

Council of Management for the Pegasus Scholarship Trust

The Council of Management comprises Benchers and other members of all four Inns of Court; the Honourable Societies of Gray's Inn, the Inner Temple, Lincoln's Inn and Middle Temple.

The Council makes awards from the Pegasus Scholarship Fund to finance UK and overseas barristers in gaining international work experience.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees 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 Trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved for the Trustees on 26 October 2022 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund

Opinion

We have audited the financial statements of the Inner Temple Benefactors' Scholarship Fund ('the charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including 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 December 2021 and of its income and expenditure, 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 that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 determine 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 trustees are 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 trustees 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 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. We noted no additional laws and regulations in this context for the UK operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Date: 28 October 2022

Crowe U.K. 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.

The Inner Temple Benefactors' Scholarship Fund

Statement of Financial Activities for the year ended 31st December 2021

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2021 £	Restricted Income	Expendable Endowment	Permanent Endowment	Total 2020 £
Incoming resources									
			-				-		
Donations and legacies		3,500		-	3,500	3,750		-	3,750
Other trading activities	2(a)	78,000		-	78,000	19,500		-	19,500
Income from investments	2(b)	48,120		-	48,120	43,228		-	43,228
Total income and endowments		129,620	-	-	129,620	66,478	-	-	66,478
Expenditure on raising funds									
Investment managers' charges		32,476		-	32,476	31,508		-	31,508
Bank charges and office costs		3		-	3	3		-	3
		32,479	-	-	32,479	31,511	-	-	31,511
Expenditure on charitable activities									
Scholarships payable	3	56,888		-	56,888	49,476		-	49,476
Contribution to purchase of library books		3,374		-	3,374	2,792		-	2,792
		60,262	-	-	60,262	52,268	-	-	52,268
Support cost	4	48,005	-	-	48,005	46,946	-	-	44,506
Total expenditure		140,746	-	-	140,746	130,725	-	-	130,725
Net gains on investments	5d	-	652,345	235,928	888,273	-	393,719	124,205	517,924
Net (expenditure)/ income		(11,126)	652,345	235,928	877,147	(64,247)	393,719	124,205	453,677
Transfer between funds		33,847	(30,282)	(3,565)	-	32,942	(21,026)	(10,626)	-
Net movement in funds		22,721	622,063	232,363	877,147	(32,595)	372,693	113,579	453,677
Fund balances brought forward At 1 st January 2021		66,255	3,184,705	1,507,779	4,758,739	98,850	2,812,012	1,394,200	4,305,062
Fund balances carried forward									
At 31st December 2021		88,976	3,806,768	1,740,142	5,635,886	66,255	3,184,705	1,507,779	4,758,739

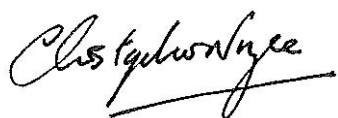
All the above amounts relate to continuing activities.
The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Balance Sheet as at 31st December 2021

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2021 £	Total 2020 £
Fixed assets						
Investments	5	-	3,806,768	1,740,142	5,546,910	4,692,484
Current assets						
Debtors	6	23,111	-	-	23,111	4,587
Cash at bank and in hand	7	147,467	-	-	147,467	214,039
		<u>170,578</u>	<u>-</u>	<u>-</u>	<u>170,578</u>	<u>218,626</u>
Creditors: amounts falling due						
Within one year	8	<u>(81,602)</u>	<u>-</u>	<u>-</u>	<u>(81,602)</u>	<u>(152,371)</u>
Net current assets/ (liabilities)						
			<u>-</u>	<u>-</u>		<u>66,255</u>
Total assets less current liabilities	10	<u>88,976</u>	<u>3,806,768</u>	<u>1,740,142</u>	<u>5,635,886</u>	<u>4,758,739</u>
Represented by:						
The Benefactors' Fund		21,547	-	873,377	894,924	789,029
The Peter Taylor Fund		5,912	-	542,769	548,681	490,981
The Woolfe Summerfield Fund		-	-	323,996	323,996	280,378
The Pegasus Scholarship Trust Fund:						
The Pegasus Fund 'A'		44,960	3,426,091	-	3,471,051	2,866,432
The Pegasus Fund 'B'		<u>16,557</u>	<u>380,677</u>	<u>-</u>	<u>397,234</u>	<u>331,919</u>
	10 & 11	<u>88,976</u>	<u>3,806,768</u>	<u>1,740,142</u>	<u>5,635,886</u>	<u>4,758,739</u>

The financial statements on pages 10 to 21 were approved and authorised for issue by the Trustees on 26 October 2022 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The notes on pages 13 to 21 form part of these financial statements

The Inner Temple Benefactors' Scholarship Fund

Cash flow statement For the year ended 31st December 2021

	<u>Note</u>	<u>2021</u>	<u>2020</u>
<u>Net cash provided by operating activities</u>	14	<u>(148,015)</u>	<u>(45,033)</u>
<u>Cash flow from investment activities</u>			
Dividends and interest from investments		47,596	42,912
Proceeds of sale of investments		797,738	1,324,151
Purchase of investments		<u>(763,891)</u>	<u>(1,292,498)</u>
<u>Net cash provided by investing activities</u>		<u>81,443</u>	<u>74,565</u>
Cash and cash equivalents in the reporting period		<u>(66,572)</u>	<u>29,532</u>
Cash and cash equivalents at the beginning of the reporting period	15	<u>214,039</u>	<u>184,507</u>
<u>Cash and cash equivalents at the end of the reporting period</u>	15	<u>147,467</u>	<u>214,039</u>

The notes on pages 13 to 21 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Inner Temple Benefactors' Scholarship Fund constitutes a public benefit entity as defined by FRS 102.

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 5.

The Covid-19 pandemic has had no material impact on the Charity's operations. The Trustees, the relevant committees, professional advisers and staff continue to monitor the situation carefully.

Having regard to the above, the current cash position, and expected cashflow over the following twelve months the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty

Sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies. No specific accounting judgements and uncertainties have been identified for the current year.

c) Investments

Investments are included in the accounts at fair value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities as net gains/losses on investments.

d) Financial instruments

The Inner Temple Benefactors' Scholarship Fund has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021

e) **Incoming resources**

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known as probable and measurable.

f) **Resources expended**

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the Charity's objectives. Grants, prizes and scholarships are accounted for when awarded. The costs of generating funds relate to the management of the Charity's assets.

g) **The Inner Temple Benefactors' Scholarship Fund**

The Inner Temple Benefactors' Scholarship Fund is an approved scheme whereby the charities listed below are administered and managed together as one charity. The Charity Commissioners approved the scheme in 1995.

Charities included in scheme:

Jardine Studentship	Cecile Yahuda Scholarship
Poland Prize	Elfreda Edwards Scholarship
Struben Bequest	Peta Fordham Scholarship
Ashworth Charity	Sweet & Maxwell Prize
Horace Ivory Scholarship	The Joseph Priestley Scholarship
Wilfred Clothier Scholarship	Solk Scholarship
Frank and Burris Gahan Scholarship	Yarborough-Anderson Scholarship
Michael Hodge Scholarship Trust Fund	Profumo Scholarship
Neville Laski Scholarship Charity	Allan Levy Awards
The Inner Temple Law Scholarships	Philip Teichman Award
David Hughes Parry Prize	Paul Methven Scholarship
Basil Nield Scholarship Charity	The Rachel Lawrence Scholarship
Otto Rix Scholarship	Leonard Woodley Scholarship
Geoffrey Veale Scholarship Fund	

h) **Taxation**

The Inner Temple Benefactors' Scholarship Fund is a registered charity and taxation is not applicable.

2(a) **Contributions from the Inns**

In 2020, The Council of Management of the Pegasus Trust decided not to ask the Inns to pay the full annual contribution, given the impact of Covid-19 on the Inns' finances. Instead, only the first quarterly contribution was demanded in 2020. In 2021, the Council reinstated the former arrangement.

The four Inns of Court (The Honourable Society of Gray's Inn, The Honourable Society of the Inner Temple, The Honourable Society of the Middle Temple and The Honourable Society of Lincoln's Inn) each made an annual donation of £19,500 (2020 - £4,875) towards The Pegasus Scholarship Trust Fund.

The Honourable Society of the Inner Temple also pays the Charity's audit fees.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021

2(b) Investment income	2021	2020
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	7,597	1,836
Foreign equities	394	1,833
Fixed interest	1,260	1,633
The Woolfe Summerfield Bequest Fund		
UK equities	2,812	739
Foreign equities	191	685
Fixed interest	395	538
The Peter Taylor Fund		
UK equities	4,839	1,102
Foreign equities	172	1,075
Fixed interest	619	1,006
The Pegasus Scholarship Trust Fund		
UK equities	3,076	5,228
Foreign equities	20,724	17,560
Fixed interest	6,034	9,904
	48,113	43,139
3. Scholarships payable, awarded to individuals	2021	2020
	£	£
The Inner Temple Benefactors' Scholarship Fund: 25 (2020: 26)	21,670	19,850
The Peter Taylor Scholarship Fund: 1 (2020: 1)	22,000	22,000
The Pegasus Scholarship Trust Fund: 3 (2020: 4)	13,218	7,626
	56,888	49,476
4. Support cost	2021	2020
	£	£
Administration costs allocated by the Inner Temple	47,155	46,230
Other costs	850	716
	48,005	46,946
5. Investments		
(a) Reconciliation of movement in investment assets	2021	2020
	£	£
Market value at 1 st January 2021	4,692,484	4,206,212
Additions to investments at cost	438,469	848,928
Less: Disposals at carrying value	(383,525)	(883,112)
Net gains on revaluation	799,482	520,456
Market value at 31st December 2021	5,546,910	4,692,484

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

(b) Analysis of Investments:	2021	2020
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	765,597	650,074
Foreign equities	-	-
Fixed interest	90,548	89,476
Cash	17,232	18,960
The Woolfe Summerfield Bequest Fund		
UK equities	290,786	247,095
Foreign equities	-	-
Fixed interest	23,931	23,367
Cash	9,279	9,916
The Peter Taylor Fund		
UK equities	488,630	414,191
Foreign equities	-	-
Fixed interest	36,060	35,421
Cash	18,079	19,279
The Pegasus Scholarship Trust Fund		
UK equities	273,096	283,733
Foreign equities	2,227,636	1,949,468
Fixed interest	917,535	707,694
Cash	388,501	243,810
	<u>5,546,910</u>	<u>4,692,484</u>
Historical cost at 31st December	<u>3,897,858</u>	<u>3,517,493</u>
 (c) Reconciliation of movements in unrealised gains on investment assets		
	2021	2020
	£	£
Unrealised gains at 1st January 2021	1,174,991	1,098,105
Write back loss on disposal of investments	(325,421)	(443,570)
Unrealised gain for the year	799,482	520,456
	<u>1,649,052</u>	<u>1,174,991</u>
(d) Net gain on investment		
	2021	2020
	£	£
Unrealised gains	799,482	520,456
Realised (loss)/ gain	88,791	(2,532)
Net gain on investment at 31 st December 2021	<u>888,273</u>	<u>517,924</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

6. Debtors

	2021	2020
	£	£
Dividend income	3,611	3,087
Amounts due from the Inns of Court	19,500	-
Other debtors	-	1,500
	<u>23,111</u>	<u>4,587</u>

7. Cash at bank and in hand

	2021	2020
	£	£
Current account	93,810	104,223
Deposit account	53,657	109,816
	<u>147,467</u>	<u>214,039</u>

8. Creditors: amounts falling due within one year

	Note	2021	2020
		£	£
Accrued expenditure		10,268	8,926
Other creditors		23,578	11,558
Amount due to Inner Temple	16	47,756	131,887
		<u>81,602</u>	<u>152,371</u>

9. Financial instruments

Financial assets and liabilities

	2021	2020
	£	£
Financial assets measured at amortised cost	23,111	4,587
Financial assets measured at fair value	5,546,910	4,692,484
Financial liabilities measured at amortised cost	81,602	152,371

The Trust's income, expense, gains and losses in respect of these financial instruments are summarised below:

	2021	2020
	£	£
Total income for financial assets held at fair value	3,611	3,087
Total gains for financial assets held at fair value	1,654,496	1,184,785
Total losses for financial assets held at fair value	5,445	9,794

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

10. Funds

(a) Permanent Endowment Funds

	Balance at 1 Jan 2021	Capital Additions	Gains	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship	758,510	-	116,596	(1,729)	873,377
The Peter Taylor Fund	468,891	-	75,078	(1,200)	542,769
The Woolfe Summerfield Bequest Fund	280,378	-	44,254	(636)	323,996
	1,507,779	-	235,928	(3,565)	1,740,142

	Balance at 1 Jan 2020	Capital Additions	Gains	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship	700,975	-	62,787	(5,252)	758,510
The Peter Taylor Fund	432,062	-	40,150	(3,321)	468,891
The Woolfe Summerfield Bequest Fund	261,163	-	21,268	(2,053)	280,378
	1,394,200	-	124,205	(10,626)	1,507,779

(b) Expendable Endowment Funds

	Balance at 1 st Jan 2021	Capital Additions	Gains	Transfers	Balance at 31 Dec 2021
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	3,184,705	-	652,345	(30,282)	3,806,768

	Balance at 1 st Jan 2020	Capital Additions	Losses	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	2,812,012	-	393,719	(21,026)	3,184,705

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

(c) Income Funds

	Balance at 1 st Jan 2021	Incoming resources	Expenditure	Transfers	Balance at 31 st Dec 2021
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	30,519	12,751	(23,452)	1,729	21,547
The Peter Taylor Fund	22,090	5,637	(23,015)	1,200	5,912
The Woolfe Summerfield Bequest Fund	-	3,398	(4,034)	636	-
The Pegasus Scholarship Trust Fund	13,646	107,834	(90,245)	30,282	61,517
	66,255	129,620	(140,746)	33,847	88,976

	Balance at 1 st Jan 2020	Incoming resources	Expenditure	Transfers	Balance at 31 st Dec 2020
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	40,996	7,575	(23,304)	5,252	30,519
The Peter Taylor Fund	39,518	3,279	(24,028)	3,321	22,090
The Woolfe Summerfield Bequest Fund	-	1,962	(4,015)	2,053	-
The Pegasus Scholarship Trust Fund	18,336	53,662	(79,378)	21,026	13,646
□	98,850	66,478	(130,725)	31,652	66,255

11. Analysis of net assets

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2021
	£	£	£	£	£
Fixed assets:					
Investments	873,377	542,769	323,996	3,806,768	5,546,910
Current assets:					
Debtors	192	76	51	22,792	23,111
Cash at bank and in hand	43,721	28,257	3,588	71,901	147,467
Creditors: amounts falling due within one year	(22,366)	(22,421)	(3,639)	(33,176)	(81,602)
	894,924	548,681	323,996	3,868,285	5,635,886

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2020
	£	£	£	£	£
Fixed assets:					
Investments	758,510	468,891	280,378	3,184,705	4,692,484
Current assets:					
Debtors	1,689	74	50	2,774	4,587
Cash at bank and in hand	87,039	84,416	7,714	34,870	214,039
Creditors: amounts falling due within one year	(58,209)	(62,400)	(7,764)	(23,998)	(152,371)
	<u>789,029</u>	<u>490,981</u>	<u>280,378</u>	<u>3,198,351</u>	<u>4,758,739</u>

12. Trustees

None of the Trustees received any reimbursement of expenses or remuneration for their services during the year.

13. Audit fees

The Charity's audit fees are paid by the Honourable Society of the Inner Temple. Inner Temple paid £4,290 on account of the audit fees in 2021 (2020 - £4,080).

14. Reconciliation of cash inflow from operating activities

	2021 £	2020 £
Net income/ (expenditure) for the reporting period	877,147	453,677
Gains on investments	(888,273)	(517,924)
Dividends	(48,120)	(43,228)
Other income		
Operating deficit	<u>(59,246)</u>	<u>(107,475)</u>
(Increase)/ decrease in debtors	(18,000)	24,375
(Decrease)/ increase in creditors	(70,769)	38,067
Net cash outflow provided by operating activities	<u><u>(148,015)</u></u>	<u><u>45,033</u></u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2021 (continued)

15. (a) Analysis of short-term deposits and cash at bank as shown in the balance sheet

	<u>At 1st Jan</u> <u>2021</u>	<u>Cash flow</u>	<u>At 31st Dec</u> <u>2021</u>
	£	£	£
Short-term deposits	109,816	(56,159)	53,657
Cash at bank	<u>104,223</u>	<u>(10,413)</u>	<u>93,810</u>
Cash and bank balances	<u><u>214,039</u></u>	<u><u>(66,572)</u></u>	<u><u>147,467</u></u>

(b) Reconciliation of net cash flow to movement in net cash

	£
Decrease in cash and short-term deposits	<u>66,572</u>
Net cash at 1 st January 2021	<u>214,039</u>
Net cash at 31 st December 2021	<u><u>147,467</u></u>

16. Related party transactions

The Honourable Society of the Inner Temple paid £14,116 towards the Pegasus Trust scholarships awarded in 2021 (2020 - £4,875). The Inner Temple also paid the Benefactors' Scholarship Fund's audit fees of £4,290 (2020 - £4,080).

The Pegasus Scholarship Trust paid £47,156 with regards to staff costs administered by the Inner Temple in 2021 (2020 - £46,231).

In 2021 The Inner Temple Benefactors' Scholarship Fund contributed the following amounts to the cost of the Inn's scholarship awards:

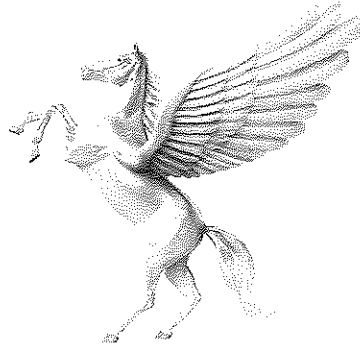
	2021	2020
	£	£
Benefactors' Scholarship Fund	21,670	19,850
Woolfe Summerfield Bequest Fund	2,102	2,792
Peter Taylor Fund	22,000	22,000

The amount of £46,484 in creditors (Note 8) represents the contributions due to the Inner Temple as at 31st December 2021 (2020 - £131,887). This balance is unsecured, interest free and payable on demand.

INNER TEMPLE BENEFACTORS SCHOLARSHIP FUND

England & Wales - Charity number 1056609

Accounts



**THE INNER TEMPLE BENEFACTORS'
SCHOLARSHIP FUND**

Financial Statements

31st December 2020

Registered Charity No 1056609

The Inner Temple Benefactors' Scholarship Fund

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The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2020 (continued)

In 2020 the Benefactors' Fund received the following donations: £1,500 from Mr J. Jarman and £250 from Kiron Reid. James Beeton donated £1,500 to the Pegasus Scholarship Fund.

Principal risks and uncertainties

The Trustees have identified the major risks to which the fund is exposed and have satisfied themselves that adequate systems are in place to mitigate those risks.

The major risks are set out as follows:

- Currency risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rate;
- Interest rate risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in the market interest rate;
- Other price risk: this is the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risks), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Reserves policy

The Trustees aim to apply income as fully as possible in the year in which it arises, maintaining only a modest surplus each year to deal with adverse fluctuations in the returns from investments. The level of funds at the year-end was £4,758,739 (2019 – £4,305,062) including restricted income reserves of £66,255 (2019 - £98,850).

There are no free unrestricted reserves at the year-end for the charity due to the nature of how the charity operates. All income is generated and recognised within restricted funds from endowed investments during the year and subsequently this is spent on underlying activities of the charity. The Charity's spend is adjusted to the income level generated in the year.

Transfer between funds

Transfer between funds represents the movement between restricted income and endowment funds, relating to the investment income and fees paid to the investment managers.

Investments policy and performance

The Trustees aim to maximise real return on a rolling five-year view with emphasis on capital growth with income. Investment performance during the year equated to 12.7% net of fees. Investment income on the Charity's funds is paid out by the manager (Veritas) to generate funds for the payment of scholarships.

Structure governance and management

The Charity's Trustees are the four Governing Benchers elected by the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple to act as Trustees of the Honourable Society. Legal title to the Charity's investments is vested in the four Trustees. They act in accordance with decisions made by the appropriate committees of the Bench, provided they are satisfied that those decisions have been properly reached and are within the power of the committee. The committees which make decisions affecting the Charity are the Investment Committee, the Scholarships Committee and the Council of Management for the Pegasus Scholarship Trust.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2020

Objectives and activities

The Inner Temple Benefactors' Scholarship Fund is a registered charity comprising four individual funds: The Inner Temple Benefactors' Scholarship Fund, The Pegasus Scholarship Trust Fund, The Woolfe Summerfield Bequest Fund and The Peter Taylor Scholarship Fund. Each of the four funds was established by gifts or legacies for the purpose of paying scholarships or purchasing Library books. The specific objectives of each fund are as follows:

The Inner Temple Benefactors' Scholarship Fund:

The advancement of education in the law, and in particular the provision of scholarships, prizes, grants and awards to persons who are studying the law, being students or young barrister members of the Society.

The Pegasus Scholarship Trust Fund:

The advancement of legal education among students and young barristers whether or not being members of the Honourable Society of the Inner Temple and among any other persons by such means as are charitable and particularly by the means of the award of scholarships and grants.

The Woolfe Summerfield Bequest Fund:

The purchase of library books.

The Peter Taylor Scholarship Fund:

The provision of a scholarship for an outstanding student member of the Honourable Society of the Inner Temple who either has entered or undertakes to enter for the Bar Professional Training Course which commences during the year in which the scholarship is awarded or, at the discretion of the Scholarships Committee of the Society, during the next following year.

The funds are all invested with Veritas Investment Management. Investment policy is supervised on behalf of the Trustees by the Investment Committee of the Honourable Society of the Inner Temple. Decisions about the award of scholarships are made by the Scholarships Committee of the Honourable Society of the Inner Temple and, in the case of the Pegasus Scholarship Trust, by a committee of all four Inns.

The Trustees have given due regard to the Charity Commission guidance on Public Benefit.

Achievements and performance

There were no significant changes to the eligibility criteria or the application process for scholarships, prizes and awards for any of the charities in the year. Awards made during the year were as follows:

- The Inner Temple Benefactors' Scholarship Fund awarded 30 scholarships and prizes to individuals during the year totalling £19,850 (2019 - £23,470). Three out of thirty awards were deferred to 2021.
- The Pegasus Scholarship Trust Fund awarded 17 scholarships and prizes in the year, the majority of which were deferred to 2021 due to Covid-19. Total awards paid in 2020 were £7,626 (2019 - £84,914).
- The Peter Taylor Scholarship Fund awarded one scholarship of £22,000 (2019 - £20,000).

Financial review

All revenues are used for charitable activities.

Investments performed extremely well in 2020, generating an overall return, net of fees, of 12.7% (2019: 14.1%).

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2020 (continued)

New Trustees are advised of their role, duties and responsibilities on appointment, by reference to the Bench Table Orders of the Honourable Society of the Inner Temple.

Day-to-day management of the Charity is undertaken by the staff of the Honourable Society of the Inner Temple, acting in accordance with policies and procedures laid down by the Honourable Society.

The Charity's Trustees recognise the legal obligation to oversee and report on the Inner Temple Benefactors' Scholarship Fund's fundraising activities.

The Inner Temple Benefactors' Scholarship Fund does not use Direct Marketing for its fundraising activities and is not therefore registered with the Fundraising Regulator. It does not have any direct contact with vulnerable people hence no Vulnerable People Protection Policy is currently in place.

Any donations or bequests are welcome and given voluntarily, usually by members of the Inner Temple. Any Gift Aid forms are securely stored in order to protect donors' personal data. The personal data is used only for Gift Aid tax claims and is not used for mailing, distribution or other fundraising purposes. No Personal Data is sold to third parties.

Currently no third parties are used for fundraising purposes but if they are used in future the third parties would be expected to maintain a high standard of fundraising practice.

There were no fundraising complaints from donors or the general public in 2019 or any prior years. Any complaint would be taken seriously and investigated thoroughly.

Investment Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. Among the Bencher members are Honorary Benchers chosen for their particular expertise in investment matters. The Committee meets quarterly to review investment performance and to consider changes to policy. It is advised by an independent investment manager.

Scholarships Committee

This Committee comprises Benchers and other members of the Honourable Society of the Inner Temple. It meets throughout the year to set policy for the awarding of scholarships and to assess applications. Awards are made to students and junior barristers by the Honourable Society of the Inner Temple. The Charity makes grants to the Inn in accordance with the terms of the bequests of which it is comprised.

Coronavirus

The global pandemic has not led to any significant changes in the Charity's income or expenditure in the post balance sheet period.

Taking into account the balance sheet position and the impact of Covid-19 on the Charity's income streams and expenditure plans, the Trustees consider that the going concern assumption remains appropriate and the financial statements continue to be prepared on this basis.

The Trustees do not consider it necessary to make a reduction to the levels of funding budgeted for 2021.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2020 (continued)

References and administration

- Charity Name & No: The Inner Temple Benefactors' Scholarship Fund includes the following charities registered under the charity number 1056609:
- The Inner Temple Benefactors' Scholarship Fund (comprising the funds listed in Note 1(g) to the accounts)
 - The Pegasus Scholarship Trust Fund
 - The Woolfe Summerfield Bequest Fund
 - The Peter Taylor Fund
- Governing Instruments: The Inner Temple Benefactors' Scholarship Fund: scheme made by the Charity Commissioners dated 14th August 1995
- The Woolfe Summerfield Bequest Fund is governed by the terms of the will of Woolfe Summerfield
- The Pegasus Scholarship Trust Fund: trust deed dated 13th March 1988
- The Peter Taylor Scholarship Fund is governed by regulations dated 23rd July 1997
- Trustees: The Trustees of the Inner Temple Benefactors' Scholarship Fund are:
- The Rt Hon Sir Stephen Tomlinson
 - The Rt Hon Lord Justice Nugee
 - David Pittaway QC
 - Penelope Reed QC
- as nominees of the Treasurer and Masters of the Bench of the Honourable Society of the Inner Temple, who act in accordance with their usual procedure.
- The Trustees of the Pegasus Scholarship Trust Fund, set up by the trust deed, are:
- The Rt Hon Sir Stephen Tomlinson
 - The Rt Hon Lord Justice Nugee
 - David Pittaway QC
 - Penelope Reed QC
- Principal Address: Inner Temple
London
EC4Y 7HL
- Bankers: Royal Bank of Scotland
9-13 Paternoster Row
London EC4M 7EJ
- Solicitors: Forsters LLP
31 Hill Street
London W1J 5LS
- Lewis Silkin LLP
5 Chancery Lane, Clifford's Inn
London EC4A 1BL
- Auditors: Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW
- Investment Managers: Veritas Investment Management LLP
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- Investment Powers: The Trustees have wide powers of investment.

The Inner Temple Benefactors' Scholarship Fund

Report of the Trustees for the year ended 31st December 2020 (continued)

Council of Management for the Pegasus Scholarship Trust

The Council of Management comprises Benchers and other members of all four Inns of Court; the Honourable Societies of Gray's Inn, the Inner Temple, Lincoln's Inn and Middle Temple.

The Council makes awards from the Pegasus Scholarship Fund to finance UK and overseas barristers in gaining international work experience.

Statement of Trustees' responsibilities

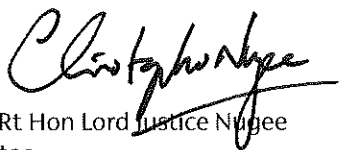
The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

The law applicable to charities in England and Wales requires the Trustees 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 Trustees are 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the Charity's constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved for the Trustees on *28 October* 2021 and signed on their behalf:



The Rt Hon Lord Justice Nugee
Trustee

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund

Opinion

We have audited the financial statements of the Inner Temple Benefactors' Scholarship Fund ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Cash Flow Statement and notes to the financial statements, including 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 December 2020 and of its income and expenditure, 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 that are 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 relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the charity; 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 determine 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 trustees are 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 trustees 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 of the Charities Act 2011, and report in accordance with the Acts 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this

The Inner Temple Benefactors' Scholarship Fund

Independent Auditor's Report to the Trustees of the Inner Temple Benefactors' Scholarship Fund (continued)

context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. We noted no additional laws and regulations in this context for the UK operations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Date: 29 October 2021

Crowe U.K. 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.

The Inner Temple Benefactors' Scholarship Fund

Statement of Financial Activities for the year ended 31st December 2020

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2020 £	Restricted Income	Expendable Endowment	Permanent Endowment	Total 2019 £
Incoming resources									
Donations and legacies		3,750	-	-	3,750	6,710	-	-	6,710
Other trading activities	2(a)	19,500	-	-	19,500	78,000	-	-	78,000
Income from investments	2(b)	43,228	-	-	43,228	46,843	-	-	46,843
Total income and endowments		66,478	-	-	66,478	131,553	-	-	131,553
Expenditure on raising funds									
Investment managers' charges		31,508	-	-	31,508	31,687	-	-	31,687
Bank charges and office costs		3	-	-	3	34	-	-	34
		31,511	-	-	31,511	31,721	-	-	31,721
Expenditure on charitable activities									
Scholarships payable	3	49,476	-	-	49,476	128,384	-	-	128,384
Contribution to purchase of library books		2,792	-	-	2,792	3,322	-	-	3,322
		52,268	-	-	52,268	131,706	-	-	131,706
Support cost	4	46,946	-	-	46,946	44,506	-	-	44,506
Total expenditure		130,725	-	-	130,725	207,933	-	-	207,933
Net gains on investments	5d	-	393,719	124,205	517,924	-	335,358	174,376	509,734
Net (expenditure)/ income		(64,247)	393,719	124,205	453,677	(76,380)	335,358	174,376	433,354
Transfer between funds		31,652	(21,026)	(10,626)	-	32,942	(23,200)	(9,742)	-
Net movement in funds		(32,595)	372,693	113,579	453,677	(43,438)	312,158	164,634	433,354
Fund balances brought forward									
At 1 st January 2020		98,850	2,812,012	1,394,200	4,305,062	142,288	2,499,854	1,229,566	3,871,708
Fund balances carried forward									
At 31st December 2020		66,255	3,184,705	1,507,779	4,758,739	98,850	2,812,012	1,394,200	4,305,062

All the above amounts relate to continuing activities.
The notes on pages 12 to 20 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Balance Sheet as at 31st December 2020

	Notes	Restricted Income £	Expendable Endowment £	Permanent Endowment £	Total 2020 £	Total 2019 £
Fixed assets						
Investments	5	-	3,184,705	1,507,779	4,692,484	4,206,212
Current assets						
Debtors	6	4,587	-	-	4,587	28,647
Cash at bank and in hand	7	214,039	-	-	214,039	184,507
		<u>218,626</u>	<u>-</u>	<u>-</u>	218,626	213,154
Creditors: amounts falling due						
Within one year	8	(152,371)	-	-	(152,371)	(114,304)
Net current assets/ (liabilities)		<u>66,255</u>	<u>-</u>	<u>-</u>	66,255	98,850
Total assets less current liabilities	10	<u>66,255</u>	<u>3,184,705</u>	<u>1,507,779</u>	4,758,739	4,305,062
Represented by:						
The Benefactors' Fund		30,519	-	758,510	789,029	741,971
The Peter Taylor Fund		22,090	-	468,891	490,981	471,580
The Woolfe Summerfield Fund		-	-	280,378	280,378	261,163
The Pegasus Scholarship Trust Fund:						
The Pegasus Fund 'A'		198	2,866,234	-	2,866,432	2,536,367
The Pegasus Fund 'B'		13,448	318,471	-	331,919	293,981
	10 & 11	<u>66,255</u>	<u>3,184,705</u>	<u>1,507,779</u>	4,758,739	4,305,062

The financial statements on pages 9 to 20 were approved and authorised for issue by the Trustees on **28**
October 2021 and signed on their behalf:


The Rt Hon Lord Justice Nudge
Trustee

The notes on pages 12 to 20 form part of these financial statements

The Inner Temple Benefactors' Scholarship Fund

Cash flow statement

For the year ended 31st December 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
<u>Net cash provided by operating activities</u>	14	<u>(45,033)</u>	<u>(59,809)</u>
<u>Cash flow from investment activities</u>			
Dividends and interest from investments		42,912	47,863
Proceeds of sale of investments		1,324,151	608,799
Purchase of investments		<u>(1,292,498)</u>	<u>(575,858)</u>
<u>Net cash provided by investing activities</u>		<u>74,565</u>	<u>80,804</u>
<hr/>			
Cash and cash equivalents in the reporting period		<u>29,532</u>	<u>20,995</u>
<hr/>			
Cash and cash equivalents at the beginning of the reporting period	15	<u>184,507</u>	<u>163,512</u>
<hr/>			
<u>Cash and cash equivalents at the end of the reporting period</u>	15	<u>214,039</u>	<u>184,507</u>

The notes on pages 12 to 20 form part of these financial statements.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014.

The Inner Temple Benefactors' Scholarship Fund constitutes a public benefit entity as defined by FRS 102.

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees Responsibilities on page 5.

The Covid-19 pandemic has had no material impact on the Charity's operations. The Trustees, the relevant committees, professional advisers and staff continue to monitor the situation carefully.

Having regard to the above, the current cash position, and expected cashflow over the following twelve months the Trustees believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

b) Critical accounting judgements and key sources of estimation uncertainty

Sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies. No specific accounting judgements and uncertainties have been identified for the current year.

c) Investments

Investments are included in the accounts at fair value. Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities as net gains/losses on investments.

d) Financial instruments

The Inner Temple Benefactors' Scholarship Fund has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020

e) **Incoming resources**

Donations, interest and investment income are accounted for when receivable. Legacies are accounted for when received or otherwise if amounts are known as probable and measurable.

f) **Resources expended**

Direct charitable expenditure comprises services supplied and activities undertaken, which are identifiable as wholly or mainly in support of the Charity's objectives. Grants, prizes and scholarships are accounted for when awarded. The costs of generating funds relate to the management of the Charity's assets.

g) **The Inner Temple Benefactors' Scholarship Fund**

The Inner Temple Benefactors' Scholarship Fund is an approved scheme whereby the charities listed below are administered and managed together as one charity. The Charity Commissioners approved the scheme in 1995.

Charities included in scheme:

Jardine Studentship	Cecile Yahuda Scholarship
Poland Prize	Elfreda Edwards Scholarship
Struben Bequest	Peta Fordham Scholarship
Ashworth Charity	Sweet & Maxwell Prize
Horace Ivory Scholarship	The Joseph Priestley Scholarship
Wilfred Clothier Scholarship	Solk Scholarship
Frank and Burris Gahan Scholarship	Yarborough-Anderson Scholarship
Michael Hodge Scholarship Trust Fund	Profumo Scholarship
Neville Laski Scholarship Charity	Allan Levy Award (X2)
The Inner Temple Law Scholarships	Philip Teichman Award
David Hughes Parry Prize	Paul Methven Scholarship
Basil Nield Scholarship Charity	The Rachel Lawrence Scholarship
Otto Rix Scholarship	Leonard Woodley Scholarship
Geoffrey Veale Scholarship Fund	

h) **Taxation**

The Inner Temple Benefactors' Scholarship Fund is a registered charity and taxation is not applicable.

2(a) Contributions from the Inns

The four Inns of Court (The Honourable Society of Gray's Inn, The Honourable Society of the Inner Temple, The Honourable Society of the Middle Temple and The Honourable Society of Lincoln's Inn) each made an annual donation of £4,875 (2019 - £19,500) towards The Pegasus Scholarship Trust Fund.

The Council of Management of the Pegasus Trust decided not to ask the Inns to pay the full annual contribution, given the impact of Covid-19 on the Inns' finances. Instead only the first quarterly contribution was demanded.

The Honourable Society of the Inner Temple also pays the Charity's audit fees.

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020

2(b) Investment income	2020	2019
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	1,836	1,353
Foreign equities	1,833	1,196
Fixed interest	1,633	2,769
The Woolfe Summerfield Bequest Fund		
UK equities	739	580
Foreign equities	685	264
Fixed interest	538	1,180
The Peter Taylor Fund		
UK equities	1,102	930
Foreign equities	1,075	510
Fixed interest	1,006	1,924
The Pegasus Scholarship Trust Fund		
UK equities	5,228	3,873
Foreign equities	17,560	19,196
Fixed interest	9,904	12,860
	43,139	46,635
3. Scholarships payable, awarded to individuals	2020	2019
	£	£
The Inner Temple Benefactors' Scholarship Fund: 30 (2019: 27)	19,850	23,470
The Peter Taylor Scholarship Fund: 1 (2019: 1)	22,000	20,000
The Pegasus Scholarship Trust Fund: 17 (2019: 26)	7,626	84,914
	49,476	128,384
4. Support cost	2020	2019
	£	£
Administration costs allocated by the Inner Temple	46,946	44,506
5. Investments		
(a) Reconciliation of movement in investment assets	2020	2019
	£	£
Market value at 1 st January 2020	4,206,212	3,729,420
Additions to investments at cost	848,928	495,137
Less: Disposals at carrying value	(883,112)	(494,611)
Net gains on revaluation	520,456	476,266
Market value at 31st December 2020	4,692,484	4,206,212

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

(b) Analysis of Investments:	2020	2019
	£	£
The Inner Temple Benefactors' Scholarship Fund		
UK equities	650,074	406,096
Foreign equities	-	151,330
Fixed interest	89,476	89,758
Cash	18,960	53,791
The Woolfe Summerfield Bequest Fund		
UK equities	247,095	212,592
Foreign equities	-	6,460
Fixed interest	23,367	23,546
Cash	9,916	18,565
The Peter Taylor Fund		
UK equities	414,191	321,589
Foreign equities	-	38,891
Fixed interest	35,421	45,827
Cash	19,279	25,755
The Pegasus Scholarship Trust Fund		
UK equities	283,733	326,028
Foreign equities	1,949,468	1,511,012
Fixed interest	707,694	656,745
Cash	243,810	318,227
	<u>4,692,484</u>	<u>4,206,212</u>
Historical cost at 31st December	<u>3,517,493</u>	<u>3,108,108</u>
(c) Reconciliation of movements in unrealised gains on investment assets	2020	2019
	£	£
Unrealised gains at 1st January 2020	1,098,105	702,552
Write back loss on disposal of investments	(443,570)	(80,713)
Unrealised gain for the year	520,456	476,266
	<u>1,174,991</u>	<u>1,098,105</u>
(d) Net gain on investment	2020	2019
	£	£
Unrealised gains	520,456	476,258
Realised (loss)/ gain	(2,532)	33,476
	<u>517,924</u>	<u>509,734</u>
Net gain on investment at 31 st December 2020	<u>517,924</u>	<u>509,734</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

6. Debtors			2020	2019
			£	£
Dividend income			3,087	2,772
Amounts due from the Inns of Court			-	24,375
Other debtors			1,500	1,500
			<u>4,587</u>	<u>28,647</u>
7. Cash at bank and in hand			2020	2019
			£	£
Current account			104,223	78,877
Deposit account			109,816	105,630
			<u>214,039</u>	<u>184,507</u>
8. Creditors: amounts falling due within one year			2020	2019
	Note		£	£
Accrued expenditure			8,926	16,561
Other creditors			11,558	10,713
Amount due to Inner Temple	16		131,887	87,030
			<u>152,371</u>	<u>114,304</u>
9. Financial instruments				
Financial assets and liabilities			2020	2019
			£	£
Financial assets measured at amortised cost			4,587	28,647
Financial assets measured at fair value			4,692,484	4,206,212
Financial liabilities measured at amortised cost			152,371	114,304
The Trust's income, expense, gains and losses in respect of these financial instruments are summarised below:			2020	2019
			£	£
Total income for financial assets held at fair value			3,087	2,722
Total gains for financial assets held at fair value			1,184,785	1,122,449
Total losses for financial assets held at fair value			9,794	24,345

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

10. Funds

(a) Permanent Endowment Funds

	Balance at 1 Jan 2020	Capital Additions	Gains	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship	700,975	-	62,787	(5,252)	758,510
The Peter Taylor Fund	432,062	-	40,150	(3,321)	468,891
The Woolfe Summerfield Bequest Fund	261,163	-	21,268	(2,053)	280,378
	1,394,200	-	124,205	(10,626)	1,507,779

	Balance at 1 Jan 2019	Capital Additions	Gains	Transfers	Balance at 31 Dec 2019
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship	618,804	-	87,163	(4,992)	700,975
The Peter Taylor Fund	379,285	-	55,739	(2,962)	432,062
The Woolfe Summerfield Bequest Fund	231,477	-	31,474	(1,788)	261,163
	1,229,566	-	174,376	(9,742)	1,394,200

(b) Expendable Endowment Funds

	Balance at 1st Jan 2020	Capital Additions	Gains	Transfers	Balance at 31 Dec 2020
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	2,812,012	-	393,719	(21,026)	3,184,705

	Balance at 1st Jan 2019	Capital Additions	Losses	Transfers	Balance at 31 Dec 2019
	£	£	£	£	£
The Pegasus Scholarship Trust Fund	2,499,854	-	335,358	(23,200)	2,812,012

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

(c) Income Funds

	Balance at 1 st Jan 2020	Incoming resources	Expenditure	Transfers	Balance at 31 st Dec 2020
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	40,996	7,575	(23,304)	5,252	30,519
The Peter Taylor Fund	39,518	3,279	(24,028)	3,321	22,090
The Woolfe Summerfield Bequest Fund	-	1,962	(4,015)	2,053	-
The Pegasus Scholarship Trust Fund	18,336	53,662	(79,378)	21,026	13,646
	98,850	66,478	(130,725)	31,652	66,255

	Balance at 1 st Jan 2019	Incoming resources	Expenditure	Transfers	Balance at 31 st Dec 2019
	£	£	£	£	£
The Inner Temple Benefactors' Scholarship Fund	52,200	11,818	(28,014)	4,992	40,996
The Peter Taylor Fund	56,886	3,572	(22,728)	1,788	39,518
The Woolfe Summerfield Bequest Fund	-	2,024	(4,986)	2,962	-
The Pegasus Scholarship Trust Fund	33,202	114,139	(152,205)	23,200	18,336
□	142,288	131,553	(207,933)	32,942	98,850

11. Analysis of net assets

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2020
	£	£	£	£	£
Fixed assets:					
Investments	758,510	468,891	280,378	3,184,705	4,692,484
Current assets:					
Debtors	1,689	74	50	2,774	4,587
Cash at bank and in hand	87,039	84,416	7,714	34,870	214,039
Creditors: amounts falling due within one year	(58,209)	(62,400)	(7,764)	(23,998)	(152,371)
	789,029	490,981	280,378	3,198,351	4,758,739

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

	Inner Temple Benefactors' Scholarship Fund	Peter Taylor Fund	Woolfe Summerfield Bequest Fund	Pegasus Scholarship Trust Fund	Total 2019
	£	£	£	£	£
Fixed assets:					
Investments	700,975	432,062	261,163	2,812,012	4,206,212
Current assets:					
Debtors	1,688	83	50	26,826	28,647
Cash at bank and in hand	123,534	40,231	429	20,313	184,507
Creditors: amounts falling due within one year	(84,226)	(796)	(479)	(28,803)	(114,304)
	<u>741,971</u>	<u>471,580</u>	<u>261,163</u>	<u>2,830,348</u>	<u>4,305,062</u>

12. Trustees

None of the Trustees received any reimbursement of expenses or remuneration for their services during the year.

13. Audit fees

The Charity's audit fees are paid by the Honourable Society of the Inner Temple. Inner Temple paid £4,080 on account of the audit fees in 2020 (2019 - £4,020).

14. Reconciliation of cash inflow from operating activities

	2020 £	2019 £
Net income/ (expenditure) for the reporting period	453,677	433,354
Gains on investments	(517,924)	(509,734)
Dividends	(43,228)	(46,843)
Other income		
Operating deficit	<u>(107,475)</u>	<u>(123,223)</u>
Decrease in debtors	24,375	15,881
Increase in creditors	38,067	47,533
Net cash outflow provided by operating activities	<u>45,033</u>	<u>(59,809)</u>

The Inner Temple Benefactors' Scholarship Fund

Notes to the financial statements for the year ended 31st December 2020 (continued)

15. (a) Analysis of short-term deposits and cash at bank as shown in the balance sheet

	<u>At 1st Jan</u> <u>2020</u>	<u>Cash flow</u>	<u>At 31st Dec</u> <u>2020</u>
	£	£	£
Short-term deposits	105,630	4,186	109,816
Cash at bank	<u>78,877</u>	<u>25,346</u>	<u>104,223</u>
Cash and bank balances	<u><u>184,507</u></u>	<u><u>29,532</u></u>	<u><u>214,039</u></u>

(b) Reconciliation of net cash flow to movement in net cash

	£
Increase in cash and short-term deposits	<u>29,532</u>
Net cash at 1 st January 2020	<u>184,507</u>
Net cash at 31 st December 2020	<u><u>214,039</u></u>

16. Related party transactions

The Honourable Society of the Inner Temple paid £4,875 towards the Pegasus Trust scholarships awarded in 2020 (2019 - £19,500). The Inner Temple also paid the Benefactors' Scholarship Fund's audit fees of £4,080 (2019 - £4,020).

The Pegasus Scholarship Trust paid £46,231 with regards to staff costs administered by the Inner Temple in 2020 (2019 - £42,852).

In 2020 The Inner Temple Benefactors' Scholarship Fund contributed the following amounts to the cost of the Inn's scholarship awards:

	2020	2019
	£	£
Benefactors' Scholarship Fund	19,850	23,470
Woolfe Summerfield Bequest Fund	2,792	3,322
Peter Taylor Fund	22,000	22,000

The amount of £131,887 in creditors (Note 8) represents the contributions due to the Inner Temple as at 31st December 2020 (2019 - £87,030). This balance is unsecured, interest free and payable on demand.