
**THE CITY SOLICITORS' EDUCATIONAL
TRUST**

ANNUAL REPORT

FOR THE YEAR ENDED

31 OCTOBER 2020

THE CITY SOLICITORS' EDUCATIONAL TRUST

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THE CITY SOLICITORS' EDUCATIONAL TRUST

TRUST INFORMATION

Trustee	The City of London Solicitors' Company							
Committee	<p>The members of the Committee, who are appointed by the Court of the City of London Solicitors' Company, are:</p> <p>R. J. Finbow (Chairman) M. R. Mathews S. Millar B. Perry H. Sanusi A. Sheridan L. Zekaria J. Abraham</p> <p>The Officers of the City of London Solicitors' Company, who are appointed for a one year term are:</p> <table><tr><td>The Master</td><td>R. Bell</td></tr><tr><td>The Senior Warden</td><td>A. G. King</td></tr><tr><td>The Junior Warden</td><td>S. de Gay</td></tr></table>		The Master	R. Bell	The Senior Warden	A. G. King	The Junior Warden	S. de Gay
The Master	R. Bell							
The Senior Warden	A. G. King							
The Junior Warden	S. de Gay							
Treasurer	L. James, Clerk of the City of London Solicitors' Company							
Uniting Direction	On 29 July 2008 the Charity Commission directed that the charity known as the Educational Charity of the City of London Solicitors (which prior to this direction was registered charity no. 803543) be treated as forming part of the charity known as The City Solicitors' Educational Trust for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.							
Charity number	1121091							
Address	4 College Hill, London, EC4R 2RB.							
Website	https://www.citysolicitors.org/charity/city-solicitors-educational-trust							
Constitution	The Trust is governed by a Trust Deed dated 17 September 2007.							
Independent auditors	F. W. Smith, Riches & Co. Chartered Accountants & Statutory Auditors, 15 Whitehall, London, SW1A 2DD.							
Bankers	National Westminster Bank, Juxon House, 98 St. Paul's Churchyard, London, EC4M 8BU.	National Westminster Bank, City of London Office, 1 Princes Street, London, EC2R 8PB.						

THE CITY SOLICITORS' EDUCATIONAL TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

The Trustee presents its report together with the financial statements of the Trust for the year ended 31 October 2020. The report and financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Trust's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Objectives and activities

The aim of the Trust is to advance the education of the public in the Study of Law in such manner as the Trustee may from time to time determine; and to advance or further such other charitable purposes as the Trustee may from time to time think fit.

During the period under review the Trust has continued to support the City Solicitors' Horizons project. The project is a social mobility initiative aimed at improving access to the legal profession for young people from disadvantaged backgrounds. The project is managed and administered by Sponsors for Educational Opportunity London, a charity which is experienced in preparing talented students from disadvantaged backgrounds for career success.

The Trust has fulfilled its existing grant commitments to teaching institutions and no new grants have been approved.

Financial review

Grant programme

Since the establishment of The Educational Charity of The City of London Solicitors in 1990 (subsumed under a Uniting Direction of the Charity Commission into the Trust) grants totalling £9,107,440 have been made to teaching institutions. This has been a major contribution to legal education.

The Trust has now fulfilled its existing grant commitments to teaching institutions and no new grants have been approved during the period under review.

City Solicitors' Horizons project

Following the successful operation and conclusion of Phase 1 of the City Solicitors Horizons project, the Trust launched a second phase of the project during the period, this time without the support of the Legal Education Foundation, which it is intended will provide support for three successive intakes of students over their three years of higher education.

23 City Law firms committed to the second phase during the financial period. One additional firm has become a subscriber since the year end and a number of further firms have expressed an interest in the project. Three other organisations have also committed their support by providing work experience and mentoring. Most subscriber firms will provide £5,000 for each of their three years' commitment.

£105,000 was received during the year, part of which related to future years, and a further £62,500 since the year end. Phase 2 has been structured so as to ensure that its content is tailored to fit with the financial commitments received. The Trust made payments totalling £50,000 during the year and a further £40,000 since the year end in respect of the services provided by Sponsors for Educational Opportunity London during the year under review.

THE CITY SOLICITORS' EDUCATIONAL TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

Structure, governance and management

Members of the Committee are recruited from the Court of the Trustee (The City of London Solicitors' Company) and the Trust's sponsoring firms. As most members of the Committee either are or have been practising solicitors, it is not the policy of the Trust to provide formal training to new Committee members. However, all Committee members have access to the Trust Deeds and are briefed on the Trust's policies and operations.

The day to day running of the Trust is the responsibility of the Chairman of the Committee and the Treasurer. The Trust has no employees.

Investment policy

The Trustee's investment policy is to maximise the Trust's income with minimum risk. The resources of the Trust are placed on short term treasury deposits that mature as the resources are required to meet the Trust's commitments.

Risk management

The Trustee has assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and is satisfied that systems are in place to mitigate the exposure to the major risks.

Reserves policy

The unrestricted reserves represent funds arising from past activities. The Trustee is satisfied that the unrestricted and restricted reserves, currently £9,362 and £10,000 respectively, are adequate given the nature of the Trust's activities.

Public benefit

The aim of the Trust is to advance the education of the public in the study of Law. The Trustee confirms that it has consulted the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and establishing its activities, in planning future activities and its use of funds. Grants to universities and colleges of over £9,107,440 have been awarded over the past 27 years to approximately 70 institutions throughout the UK.

THE CITY SOLICITORS' EDUCATIONAL TRUST

TRUSTEE'S REPORT FOR THE YEAR ENDED 31 OCTOBER 2020

Statement of Trustee's responsibilities

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The Trustee must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources, including the income and expenditure, of the Trust for that period.

In preparing these financial statements, the Trustee is required to:

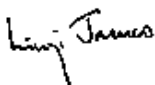
- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustee is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the Trust's trust deed. The Trustee is also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee confirms that so far as it is aware, there is no relevant audit information of which the Trust's auditors are unaware. The Trustee has taken all the steps that it ought to have taken as Trustee in order to make itself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

By order of the Trustee

R. S. K. Bell
Master



L. C. James
Clerk

18 March 2021

THE CITY SOLICITORS' EDUCATIONAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CITY SOLICITORS' EDUCATIONAL TRUST

Opinion

We have audited the financial statements of The City Solicitors' Educational Trust (the 'Trust') for the year ended 31 October 2020 set out on pages 8 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Trust's affairs as at 31 October 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust 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

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

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

THE CITY SOLICITORS' EDUCATIONAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CITY SOLICITORS' EDUCATIONAL TRUST

Other information

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 4 the Trustee is 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 Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE CITY SOLICITORS' EDUCATIONAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CITY SOLICITORS' EDUCATIONAL TRUST

Auditors' responsibilities for the audit of the financial statements

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 auditors' 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.

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

Use of our report

This report is made solely to the Trust's trustee, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the Trust's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Trust's trustee for our audit work, for this report, or for the opinions we have formed.

F. W. Smith, Riches & Co.

Chartered Accountants & Statutory Auditors
London
18 March 2021

F. W. Smith, Riches & Co. is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE CITY SOLICITORS' EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 OCTOBER 2020

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Total funds £
Income and endowments					
Donations	4	-	100,000	100,000	16,000
Interest income		-	-	-	2
Total income		-	100,000	100,000	16,002
Expenditure					
<i>Expenditure on support and governance:</i>					
Support costs	5	(148)	-	(148)	146
Governance costs	5	1,500	-	1,500	1,500
		1,352	-	1,352	1,646
<i>Expenditure on charitable activities:</i>					
Grants issued	6	-	90,000	90,000	97,850
		-	90,000	90,000	97,850
Total expenditure		1,352	90,000	91,352	99,496
Net expenditure		(1,352)	10,000	8,648	(83,494)
Transfer between funds		-	-	-	-
Net movement in funds		(1,352)	10,000	8,648	(83,494)
Funds brought forward		10,714	-	10,714	94,208
Funds carried forward		9,362	10,000	19,362	10,714

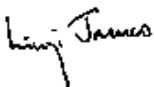
THE CITY SOLICITORS' EDUCATIONAL TRUST

BALANCE SHEET AS AT 31 OCTOBER 2020

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Total funds £
Current assets					
Debtors	7	-	5,000	5,000	-
Cash at bank		13,862	55,000	68,862	18,715
		<u>13,862</u>	<u>60,000</u>	<u>73,862</u>	<u>18,715</u>
Creditors: amounts falling due within one year	8	(4,500)	(50,000)	(54,500)	(8,000)
Net assets		<u>9,362</u>	<u>10,000</u>	<u>19,362</u>	<u>10,715</u>
Funds					
Unrestricted funds		9,362	-	9,362	10,715
Restricted funds		-	10,000	10,000	-
Total funds		<u>9,362</u>	<u>10,000</u>	<u>19,362</u>	<u>10,715</u>

The financial statements on pages 8 to 14 were approved and authorised for issue by the Trustee on 18 March 2021 and were signed on its behalf by:

R. S. K. Bell
Master



L. C. James
Clerk

THE CITY SOLICITORS' EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared 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 Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustee considers that there are no material uncertainties about the Trust's ability to continue as a going concern.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Trust's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

1.2 Income recognition

All income is recognised once the Trust has entitlement to the income, it is probable that income will be received and the amount of income receivable can be measured reliably. The following criteria must also be met before income is recognised:

Donations

Donations are recognised when both the amount and settlement dates are known.

Grants

Grants receivable are recognised in the period in which notification of both the amount and the settlement dates are received.

Interest income

Interest on funds held on deposit is included upon notification of the interest being paid or payable.

THE CITY SOLICITORS' EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. Accounting policies (continued)

1.3 Resources expended

Expenditure is recognised in the period when there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Charitable activities

Charitable activities include expenditure in furtherance of the Trust's objectives and where applicable an allocation of the Trust's support and governance costs. Grants are charged to the statement of financial activities in the year they are committed by the Trustee. The liabilities to pay these grants are shown in the balance sheet under creditors, amounts falling due within one year or in more than one year as appropriate.

Governance costs

Governance costs include those costs incurred in the governance of the Trust and are primarily associated with constitutional and statutory requirements. Where applicable these costs have been allocated to the Trust's charitable activities on a basis consistent with the use of the resources.

Support costs

Support costs include administrative costs. Where applicable these costs have been allocated to the Trust's charitable activities on a basis consistent with the use of the resources.

Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.4 Funds

Unrestricted funds

Unrestricted funds are funds that the Trustee is free to use for any purpose in furtherance of the charitable objects.

Restricted funds

Restricted funds are funds, which have legal restrictions on their use, where donors have specified the funds can only be spent on specific activities.

1.5 Financial instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Debtors

Donations and grants receivable are initially recognised at transaction price and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the debtors are stated at cost less impairment losses.

THE CITY SOLICITORS' EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2020

1. Accounting policies (continued)

1.5 Financial instruments (continued)

Creditors

Grants payable are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that have occurred after the initial recognition of the financial asset, the estimated future cash flows from the financial asset have been effected. Any losses arising from impairment are recognised in the Statement of Financial Activities.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.6 Foreign currency translation

Functional and presentation currency

The Trust's functional and presentation currency is the pound sterling.

1.7 Taxation

H. M. Revenue & Customs has granted the Trust charity exemption and thus it is exempt from taxation.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements management are required to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates. Whilst management have made judgements, estimates and assumptions in preparing the financial statements, they consider that these have not had a significant effect on amounts recognised.

3. Trustee's expenses and remuneration

No Trustee remuneration was paid during the year (2019: £nil). In addition, no officer of the Trustee company was paid or reimbursed any expenses during the year (2019: £nil).

THE CITY SOLICITORS' EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

4. Donations receivable

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Donations	-	100,000	100,000	16,000
	-	100,000	100,000	16,000

Donations include £100,000 (2019: £16,000) given for restricted purposes.

5. Support and governance costs

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Support costs				
Website	-	-	-	146
Bank charges	(148)	-	(148)	-
	(148)	-	(148)	146
Governance costs				
Audit fee (inclusive of VAT)	1,500	-	1,500	1,500
	1,500	-	1,500	1,500
	1,352	-	1,352	1,646

Support and governance costs have not been allocated to the Trust's expenditure on charitable activities as the restricted funds can only be spent on direct charitable activities.

6. Grants issued

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Sponsors for Educational Horizons Programme	-	90,000	90,000	97,850
	-	90,000	90,000	97,850

Grants awarded include £90,000 (2019: £16,000) given for restricted purposes.

THE CITY SOLICITORS' EDUCATIONAL TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020**

7. Debtors

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Amount due within 1 year				
Prepayments and accrued income	-	5,000	5,000	-
	-	5,000	5,000	-

8. Creditors: amounts falling due within one year

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Accruals and deferred income	4,500	50,000	54,500	8,000
	4,500	50,000	54,500	8,000

9. Financial instruments

	2020 Unrestricted Funds £	2020 Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Financial liabilities measured at amortised cost	4,500	50,000	54,500	8,000

10. Restricted funds

Restricted funds comprise the financial transactions, assets and liabilities of the City Solicitors' Horizons project.

11. Related party disclosures

The Trust's Trustee is the City of London Solicitors' Company. The City of London Solicitors' Company is also Trustee of The City of London Solicitors' Company Charitable Fund.

There were no transactions with related parties that required disclosure during either 2020 or 2019.



Certificate of Completion

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Signer Account Authentication	Complete	2021-06-07 15:29	31.125.192.94
Hashed/Encrypted Signature	Complete	2021-06-07 15:33	31.125.192.94

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