

Registration No: 1196968

THE BOLTON SCHOOL BURSARY FOUNDATION
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2022

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

TRUSTEES REPORT

The Bolton School Bursary Foundation (BSBF)

CHARITABLE REGISTRATION NUMBER 1196968

CHARITY TRUSTEES:

The Trustees of BSBF are as follows:

Mr W J Craven * **	(Chair) (appointed 21 January 2022)
Mr S Banerjee *	(appointed 20 July 2022)
Mr M Griffiths **	(appointed 7 December 2021)
Mr A R Palmer *	(appointed 7 December 2021)
Mr I Riley * **	(appointed 7 December 2021)
Mr N Wightman **	(appointed 7 December 2021)
Mrs S J Bailey *	(appointed 7 December 2021, resigned 20 July 2022)
Mr C A Cowling *	(appointed 7 December 2021, resigned 25 March 2022)

CHARITY SECRETARY: Mrs C L Fox

Notes

- * Bolton School appointed trustees
- ** Members of the Investment committee

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

ADVISORS:

Bankers:

Barclays Bank
PO Box 229
Navigation Way
Preston
Lancashire PR2 2XY

Solicitors:

Berrymans Lace Mawer
Kings House
42 King Street West
Manchester M3 2NU

BDB Pitmans LLP
One Bartholomew Close
London EC1A 7BL

Auditors:

Crowe UK LLP
The Lexicon
Mount Street
Manchester M2 5NT

Investment Advisers:

Partners Capital LLP
5th Floor
5 Young Street
London W8 5EH

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

Cazenove Capital
1 London Wall Place
London EC2Y 5AU

HarbourVest Partners (UK) Limited
3rd Floor
33 Jermyn Street
London SW1Y 6DN

Hollyport Capital LLP
4th Floor
15 Golden Square
London W1F 9JG

Insurance Broker:

Marsh Ltd
Capital House
1-5 Perry Mount Road
Haywards Heath
West Sussex
RH16 3S

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

The Trustees have pleasure in presenting their annual report for the period ended 31 August 2022, under the Charities Act 2011, together with the audited financial statements for the period, and confirm that the latter comply with the requirements of the Governing Document and the Charities SORP 2015.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Bolton School Foundation (BSBF) (charity registration number 1196968) was established as a charitable incorporated organisation (CIO) with the Charities Commission on 7 December 2021.

CONSTITUTION

BSBF's objects are **'The advancement of education for the public benefit of those who need financial assistance in particular but not exclusively by the provision to Bolton School of bursary support for the benefit of pupils who would be unable to continue in education at the School or who would be unable to commence education at the School despite being accepted, without financial assistance.'**

BSBF has the power to do anything which is calculated to further its objects or is conducive or incidental to doing so. The income and property of BSBF must be applied solely towards the promotion of the objects.

There must be at least five and no more than seven trustees., Bolton School may appoint up to five trustees and there must be at least two trustees, independent of Bolton School, appointed by a resolution passed at a properly convened meeting of the trustees.

GRANT MAKING POLICY

As the focus of the Charity's objects is to support Bolton School (registered charity number: 1110703) (the School), the Trustees intend to provide an annual grant to the School to enable the School to provide bursaries to pupils in support of their education.

The amount of each grant awarded and the amount of grant expenditure by the Charity from year to year is entirely at the discretion of the Trustees. Nevertheless, the Trustees' intention is that the amount of the annual grant awarded will be such as to maintain the real value of the Charity's net assets over the economic cycle, taking into account any new donations and grants from the School. The Trustees will grant the excess return to the School for bursary provision – initially this is expected to be 4 per cent of the value of the Charity's assets.

THE BOLTON SCHOOL BURSARY FOUNDATION

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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees determine the strategic direction and general policy of BSBF and co-ordinate their responsibilities through regular meetings. The day to day management of BSBF is delegated to the Charity Secretary and the fundraising activities of BSBF are undertaken by Bolton School on behalf of BSBF under a free of charge services agreement. BSBF has no employees.

INVESTMENT POLICY AND OBJECTIVES

The Investment Policy and Objectives may be achieved by investment in equities (both quoted and private), fixed income (including government, corporate and unquoted debt), cash and other assets to include commodities, infrastructure and property. Investment may also be made in derivatives, both quoted and unquoted.

The goal is to maintain the real value of the portfolio, taking into account any new donations and grants from the School, while enabling regular grants to be made to Bolton School to fund bursaries by achieving an annualised total return of UK RPI plus 4 per cent over the economic cycle.

The investment portfolio has a moderate to high risk profile and is viewed with a long-term time horizon.

BSBF utilises the services of CCLA, Cazenove Capital, HarbourVest Partners, Hollyport Capital LLP and Partners Capital LLP who, between them, manage the portfolio on a discretionary basis. The Investment committee meets with investment managers regularly to review investment performance, risk, asset allocation and objectives. Performance is reported against suitable benchmarks over a variety of periods.

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

OBJECTS, AIMS, OBJECTIVES AND PUBLIC BENEFIT, ACTIVITIES

Objects and Aims

The Objects of the Charity are 'The advancement of education for the public benefit of those who need financial assistance in particular but not exclusively by the provision to Bolton School of bursary support for the benefit of pupils who would be unable to continue in education at the School or who would be unable to commence education at the School despite being accepted, without financial assistance.'

Bolton School's charitable objects are 'the provision and conduct in or near Bolton of a day School for boys and girls and the similar provision and conduct in or near Bolton of a day Nursery for boys and girls.'

Bolton School educates some 2,300 pupils from 0 to 18 years old, and aims to continue to operate around this capacity for the foreseeable future. The School resolves to give equal emphasis to a very high standard of academic achievement and to the full range of cultural, sporting and social activities which ensure a fully rounded education. An open access policy is in place to encourage bright pupils who are awarded a bursary to attend, even if their parents are not able to afford the fees.

BSBF aims to provide sufficient bursary funds to Bolton School by way of making a bursary grant to it each year, sufficient to fund a growing number of bursaries at the School.

Objectives and Public Benefit

The Charity's objectives reflect the educational aims of providing bursary support to Bolton School.

The Trustees believe it is important that access to the education offered by Bolton School is not restricted to those who can afford its fees. They view the bursary awards made by Bolton School as important in helping to ensure children from families who would otherwise not be able to afford the fees can access the education offered.

Activities

BSBF raises and invests funds with which to provide bursary support to Bolton School.

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE IN THE PERIOD

During the financial period BSBF received bursary fund transfers from Bolton School of £18.6 million, and achieved positive investment management returns of £550k. As a result, BSBF's net assets were £19.2 million at 31 August 2022.

FINANCIAL REVIEW

Fundraising Performance

The Charity will be working with Bolton School's development team for the purpose of fundraising, is registered with the Fundraising Regulator and abides by their Fundraising Code of Practice.

Transfer of funds to BSBF from Bolton School

During this financial period, the Trustees of Bolton School had resolved to transfer substantially all of its bursary funds to BSBF, alongside their respective purposes, namely:

- a. the funds held directly by the School as restricted funds;
- b. the funds held in separate charitable trusts of which the School is the sole corporate trustee;
- c. the funds comprising permanent endowment and therefore sitting outside the corporate property of the School and held by the School as sole corporate trustee.

The Trustees of BSBF agreed that BSBF would receive these funds and at the end of this financial period, approximately half of the funds due to be transferred to BSBF under this agreement had been received by BSBF with the remaining funds being received after 31 August 2022.

Investment Performance

At 31 August 2022, BSBF's managed investments were valued at £19.2 million, representing an increase of 3 per cent over the period since their transfer from Bolton School. Over the medium to long term economic cycle (defined as exceeding 10 years), the Charity's investment policy targets an annualised rate of return of UK RPI plus 4 per cent.

Operating Performance

BSBF's incoming resources for the period amounted to £18.6 million with fund balances carried forward at the end of the period of £19.2 million.

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Reserves Level and Policy

The Trustees have examined the needs, risks and challenges faced by BSBF in both the short and medium terms along with the relevant financial plans and forecasts and have formulated a strategy to meet those needs. This strategy is reviewed by the Trustees on a regular basis and monitored in line with strategic plans. Free reserves are £Nil. All of the investments received from Bolton School are restricted and can only be applied to fund bursaries at Bolton School.

The Trustees expect the present level of activities to be sustained for the current period and the financial position of each of the funds to remain at the current satisfactory position or improve. They anticipate no difficulty in meeting BSBF's financial obligations.

RISK MANAGEMENT

During the period the Trustees have examined the principal areas of BSBF's operations and considered the major risks in each of these. In their opinion BSBF has established systems which, under normal circumstances, should allow these risks to be managed to an acceptable level in its day to day operations.

The Trustees continue to keep BSBF's activities under review, particularly with regard to any major risks that may arise from time to time, and to monitor the effectiveness of the system of internal controls and other viable means by which those risks identified by the Trustees can best be managed.

The key controls used by BSBF include:

- Formal agendas for the Investment committee and trustee meetings;
- Detailed terms of reference;
- Comprehensive strategic planning;
- Organisational structure and lines of reporting;
- Formal written policies; and
- Clear authorisation and approval levels.

PRINCIPAL RISKS AND UNCERTAINTIES

BSBF's performance is heavily reliant upon global stock market performance alongside the support of generous benefactors. A catastrophic decline in either of these factors would present a significant threat to BSBF's ability to make grants to Bolton School.

THE BOLTON SCHOOL BURSARY FOUNDATION

ANNUAL REPORT AND ACCOUNTS TRUSTEES, OFFICERS AND ADVISERS PERIOD ENDED 31 AUGUST 2022

STATEMENT OF ACCOUNTING AND REPORTING RESPONSIBILITIES

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

The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of BSBF and of the incoming resources and application of resources, including the income and expenditure, of BSBF for that period. In preparing these financial statements, the Trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that BSBF will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain BSBF's transactions, disclose with reasonable accuracy at any time the financial position of BSBF and enable them to ensure that the financial statements comply with 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.

Insofar as each of the Trustees at the date of approval of this report, is aware there is no relevant audit information (information needed by BSBF's auditor in connection with preparing the audit report) of which BSBF's auditor is unaware. Each Trustee has taken all the steps that he should have taken as a member of BSBF in order to make himself aware of the relevant audit information and to establish that BSBF's auditor is aware of that information.

Approved by the Trustees of BSBF including the Strategic Report contained herein, and signed on its behalf by:



Mr W J Craven
Chair

Date: 8th December 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BOLTON SCHOOL BURSARY FOUNDATION FOR THE PERIOD ENDED 31 AUGUST 2022

Opinion

We have audited the financial statements of The Bolton School Bursary Foundation (the 'Charity') for the period ended 31 August 2022 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2022 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 trustees' 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 we do not express any form of assurance conclusion thereon.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE BOLTON SCHOOL BURSARY FOUNDATION FOR THE PERIOD ENDED 31 AUGUST 2022

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.

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 require 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 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 trustees

As explained more fully in the trustees' responsibilities statement set out on page 6 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 they 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE BOLTON SCHOOL BURSARY FOUNDATION
FOR THE PERIOD ENDED 31 AUGUST 2022**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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 group and charitable company 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, taxation legislation 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.

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 timing of recognition of other income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee 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.

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.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE BOLTON SCHOOL BURSARY FOUNDATION
FOR THE PERIOD ENDED 31 AUGUST 2022**

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 UK LLP

Chartered Accountants and Registered Auditors

The Lexicon
Mount Street
Manchester
M2 5NT

Date: 23rd March 2023

THE BOLTON SCHOOL BURSARY FOUNDATION

Statement of Financial Activities for the period ended 31 August 2022

	Unrestricted	Restricted	2022 £
Income from:			
Donations and legacies	-	-	-
Charitable Activities:			
Transfer of funds from Bolton School	-	18,607,675	18,607,675
Investment income	-	117	117
Total	-	18,607,792	18,607,792
Charitable activities:			
Educational bursary grants to Bolton School	-	-	-
Cost of generating funds:			
Investment managers' fees	-	-	-
Governance costs	-	(4,800)	(4,800)
Total	-	(4,800)	(4,800)
Net income and net movement in funds before gains and losses on investments	-	18,602,992	18,602,992
Net gains on investments	-	550,335	550,335
Net movement in funds	-	19,153,327	19,153,327
Reconciliation of Funds			
Total funds brought forward	-	-	-
Total funds carried forward	-	19,153,327	19,153,327

The notes on pages 16 to 18 form part of these financial statements.

THE BOLTON SCHOOL BURSARY FOUNDATION

Balance Sheet for the period ended 31 August 2022

	Notes	2022 £
Fixed Assets		
Investments	2	<u>19,158,127</u>
Current Assets		
Cash at bank and in hand		-
Total current assets		<u>-</u>
Creditors:		
Amounts falling due within one year	4	(4,800)
		<u>(4,800)</u>
		-
Net current assets		<u>-</u>
Net Assets		<u>19,153,327</u>
The funds of the Charity		
Unrestricted funds		-
Restricted funds		19,153,327
Total Charity funds		<u>19,153,327</u>

Approved on behalf of the Trustees on 8 December 2022



Mr W J Craven
Chair

The notes on pages 16 to 18 form part of these financial statements.

THE BOLTON SCHOOL BURSARY FOUNDATION

Notes on and forming part of the Financial Statements for the period ended 31 August 2022

1). a) Accounting Policies

BSBF was formed on 7 December 2021. These accounts cover the period from 7 December 2021 to 31 August 2022.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) 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) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

BSBF constitutes a public benefit entity as defined by FRS 102.

b) Going Concern

The Trustees believe that BSBF has adequate resources to continue in operation for at least twelve months from the date of approval of these financial statements and for the foreseeable future. The accounts are therefore prepared on a going concern basis. The trustees consider that there are no material uncertainties about BSBF's ability to continue as a going concern.

c) Donations and Legacies

Donations and legacies are recognised as income to the capital fund when received or earlier if, before receipt, there is sufficient evidence to provide the necessary certainty that the donation or legacy will be received and the value of the incoming resources can be measured with sufficient reliability.

Transfers from Bolton School are recognised in the period during which they are received.

Donations for purposes restricted by the wishes of the donor are taken to Restricted Funds.

d) Investment Income

Dividends are credited to the statement of financial activities when they are receivable.

e) Interest Received

Interest is credited to the statement of financial activities on an accruals basis.

THE BOLTON SCHOOL BURSARY FOUNDATION

Notes on and forming part of the Financial Statements for the period ended 31 August 2022

f) Allocation of costs

Whenever possible expenditure is allocated to an activity cost category. Where items of expenditure contribute directly to more than one activity cost, they are apportioned on a reasonable, justifiable and consistent basis.

Support costs are also, wherever possible, attributed to a single activity but where apportionment is required this is done on a reasonable, justifiable and consistent basis.

Governance costs comprise the costs of running BSBF, including strategic planning for its future development, external audit, any legal advice for the Trustees, and all the costs of complying with constitutional and statutory requirements, such as the costs of Trustee meetings and of preparing statutory accounts and satisfying public accountability.

g) Cash and cash equivalents

BSBF had not had any banking transactions at 31 August 2022 and accordingly held no cash and has no cashflow statement.

h) Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to chargeable purposes.

i) Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the period. BSBF does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Charity is that of market volatility due to wider economic conditions, the attitude of investors to risk and changes in sentiment.

j) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial period. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

THE BOLTON SCHOOL BURSARY FOUNDATION

Notes on and forming part of the Financial Statements for the period ended 31 August 2022

2). Fixed Assets Investments	2022 £
Transfer value from Bolton School	18,607,675
Investment income reinvested	117
Unrealised gain on revaluation	550,335
Market value at 31 August 2022	<u>19,158,127</u>
Cost at 31 August 2022	<u>18,607,792</u>

Investments comprise:

Listed investments – equities	13,664,256
Cash held in investment portfolio	116,564
COIF accumulation units	5,377,307
	<u>19,158,127</u>

During this financial period, Bolton School began the process of transferring the majority of its bursary related investments to BSBF. £18.6m had been received from Bolton School at 31 August 2022, and a further £17m was received after that date, completing total transfers of £35.6m. With these transfers a commitment to invest a further US\$15m to private equity funds in the future has also transferred to BSBF, consistent with BSBF's strategy to grow the private equity component of its investments to approximately 20 per cent over time. It is anticipated that the further cash investment required will be spread over several years and will be materially less than US\$15m due to the distributions from existing investments which will be offset against future cash calls.

During the period BSBF has utilised the services of CCLA and Cazenove Capital, and since the period end they have additionally utilised the services of Harbourvest Partners, Hollyport Capital LLP and Partners Capital LLP. These firms manage the investment portfolio on a discretionary basis.

3) Trustees

No Trustees received any remuneration or expenses during the period

4) Creditors	2022 £
Accruals	4,800
	<u>4,800</u>

BOLTON SCHOOL BURSARY FOUNDATION

Notes on and forming part of the Financial Statements for the period ended 31 August 2022

5) Funds	2022 £
Restricted funds:	
School Open Door Bursary Fund	9,579,063
Lever Scholarship Bursary Fund	9,579,064
	<hr/>
	19,158,127

The School Open Door Bursary Fund and the Lever Scholarship Bursary Fund exist to provide bursaries to Bolton School.

6) Related Party Transactions

During the period under review the following transactions took place between BSBF and Bolton School (Registered charity number 1110703), a connected charity through its objectives and the five trustees it appoints to BSBF.

BSBF awarded £Nil by way of a bursary grant during the period to Bolton School.

A transfer of £18,607,675 was received from Bolton School.

At the period end BSBF was owed £Nil by Bolton School.