

Colfe's Charitable Trust

Annual Report and Accounts
31 August 2021

Charity Registration Number
275447

Contents

Reports

Legal and administrative information	1
Trustees' report	2 - 4
Independent examiners' report	5

Accounts

Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 - 12

Legal & administrative information

Trustees The following served during the year and were in office at the date of approval of the accounts for the year ended 31 August 2021:

Mr. S Polito (Chairman)*
Mr. M. Cartwright
Mr. I. Harjette
Mr. B.G.D Monk (until Dec 2020)
Mr. M. Pellereau * (Chairman of Trustees of Colfe's School)
Mr. A Rodgers
Mr. R. Russell (Headmaster of Colfe's School)

*Nominee of The Leathersellers' Company

Clerk to the Trustees: Mr M Adamson

Address: Colfe's School
Horn Park Lane
Lee
London
SE12 8AW

Independent Examiner: Opass Billings, Wilson & Honey LLP.

Address: 98 Station Road
Sidcup
Kent
DA15 7BY

Bankers: HSBC Bank Plc
100 Broad Street
London
EC2N 1BG

Investment Managers: M & G Securities Ltd
Laurence Poutney Hill
London EC4R 0HH

CCLA
Senator House
85 Queen Victoria Street
London EC4V 4ET

Trustees Report for the year ended 31 August 2021

The Trustees herewith submit their report along with the financial statements of the charity for the year ended 31 August 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 8 to 9 of the Financial Statements report and comply with the charity's trust deed, the Charities Act 2011 and Accounting and reporting by Charities.

Structure, governance and management

Colfe's Charitable Trust is a registered charity (number 275447), governed by a Deed of Trust dated 9 March 1978 which has been approved by the Charity Commissioners. Colfe's Charitable Trust's status as a charity has been recognised by the Inland Revenue.

The Declaration of Trust states that no more than fifteen persons shall form the Board of Trustees. Of these a maximum of six may be appointed by the Wardens and Society of the Mystery or Art of the Leathersellers of the City of London (the Leathersellers' Company) and no more than nine by resolution of the Trustees. The latter are drawn from ex-pupils, parents and existing and former pupils and staff of Colfe's School. Trustees are required to give written notice of retirement.

Public Benefit

The Declaration of Trust states that the Trustees shall apply the entirety of the Trust Fund to or for such charitable purposes connected with the School as the Trustees shall from time to time in their absolute discretion determine, or such other charitable purposes or such charitable foundations (whether or not connected with the School) as the Trustees shall in like manner determine, provided that the Trustees shall before exercising their discretion, consider in the first place the requirements of the School. The Trustees confirm that they have considered the Charity Commissions guidance on public benefit when planning the activities of the charity and believe that they provide a clear public benefit.

Risk Management

The Trustees have reviewed the major risks to which the charity is exposed relating to the operations of the charity, its investments and its finances. The Trustees believe that by examining the specific and general business and operational risks faced by the charity, by ensuring controls exist over the financial systems and safe custody of the charity's assets and investments and by monitoring the reserves of the charity they have established effective means to mitigate those risks. The Trustees are aware of the charity's reliance on services provided by Colfe's School during the year and have sought and received assurance of their continuance in the future.

Trustees have considered various risks that the Coronavirus Pandemic poses to the charity. Following a decrease in value in 2019/20, the investment portfolio recovered to its pre-pandemic valuation by the end of the reporting period. The Trustees are monitoring how investment returns are being affected and have balanced disbursements with the long term objectives of the Trust.

Colfe's Charitable Trust

Objectives and activities

In 2003, the Trust took on the responsibility of managing the funds of Colfe's Campaign, a development appeal for Colfe's School. This appeal and subsequent fundraising activities aim to raise an endowed fund for bursaries and scholarships and general funds for the development of facilities, equipment and teaching.

Payments made during the year from Restricted Funds were to meet the School's specific requests and were made in accordance with the wishes of the donors. Donations continued to accumulate in General Funds for the future development of the Schools facilities. In addition, a Scholarships and Bursaries Endowment Fund continued to be raised for future use.

Achievements during the year

During 2020/21 total incoming resources for the Charity from the various funds amounted to £82,594 (2020: £114,402).

The general grant of £50,000 for bursaries for 2020/21 reflects that approved by the Trustees relating to the year for 2020/21. The grant awarded for 2019/20 was £82,717.

A legacy of approximately £500,000 was bequeathed to the school, receipt of which is being delayed by claims against the benefactor's estate. The Trust is being advised on this matter by its solicitors, in relation to which fees of £5,978 were incurred during the year.

Financial Review

Total income for the year was £82,594 (2020: £114,402). This comprised donations and other income received of £22,572 (2020: £52,838) including legacy donations of £2,105 (2020: £5,000). Investment income and interest amounted to £60,022 (2020: £61,564).

£5,989 was expended on the cost of generating funds (2020: £4,305) and £2,195 (2020: £2,215) was expended on governance costs. Grants of £73,982 (2020: £101,650) were made. This includes grants amounting to £23,982 in relation to restricted donations, which have been spent accordingly.

The net incoming resources for the year before unrealised gains / (losses) on investments were £428 (2020: £6,232).

Total unrealised gains on investments were £241,555 (2020 loss of £140,318). All realised and unrealised gains and losses incurred on the Investment Portfolio are retained in the appropriate fund.

Total funds increased by £241,983 from £1,590,201 to £1,832,184. The Trustees confirm that the cash balances and Designated Investment Funds were managed and invested in accordance with the Trust Deed both during the course of the year and at the Balance sheet date.

Financing of Grants

Grants are financed from income derived from donations, Gift Aid, dividends and interest. The Trustees consider the Charitable Trust has sufficient assets to fulfil its obligations.

Investments and Reserves Policy

Investments are managed to maintain the Trusts level of giving as noted above under "Objectives and activities".

Investments are held in M&G "The Equities Investment Fund for Charities" (Charifund) and "The Charibond Charities Fixed Interest Common Investment Fund" (Charibond) and COIF Charities Investment Fund. The balances held on all Funds, with the exception of the Restricted Funds, are held, against future projects to be agreed by the Trustees. The release of monies from the Restricted Fund is made in accordance with the donors' wishes.

Related Parties

Details of connected entities and transactions between them are given in Note 13 to the Financial Statements.

Management

The Trust relies on Colfe's School for management services for which it pays no charge. The decisions of the Trustees are implemented by the full time staff of the School. The costs of the Development Office are borne by the School.

Trustee Responsibilities

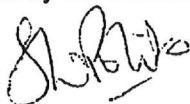
The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The trustees 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 by the trustees on 3 March 2022 and signed on their behalf by :

Trustee



Independent Examiners' Report for the year ended 31 August 2021

Report of the independent examiner to the trustees of Colfe's Charitable Trust

I report to the trustees on my examination of the accounts of Colfe's Charitable Trust for the year ended 31 August 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true & fair view which is not a matter considered as part of an independent examination.

During the independent examination of the financial statements, it came to light through a Trustees review that a prior period error existed in the allocation of cash balances between funds, however Total funds were not misstated. The Charity has taken the relevant steps outlined in the Charities SORP to correct the error through restatement of opening balances. More information is disclosed in note 10 of the financial statements.



Martyn Finnis ACA, ACCA
Opass Billings, Wilson & Honey LLP
98 Station Road
Sidcup
DA15 7BY

3 March 2022

Statement of Financial Activities For the Year Ended 31 August 2021

	Notes	General Fund £	Designated Fund £	Restricted Funds £	Endowed Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME							
Donations and legacies	2	6,572	-	7,500	8,500	22,572	52,838
Investment Income	3	60,022	-	-	-	60,022	61,564
TOTAL INCOME		66,594	-	7,500	8,500	82,594	114,402
EXPENDITURE							
Costs of raising funds	4	5,989	-	-	-	5,989	4,305
Expenditure on Charitable Activities	5	52,195	-	23,982	-	76,177	103,865
TOTAL EXPENDITURE		58,184	-	23,982	-	82,166	108,170
Net Incoming Resources before Transfers		8,410	-	(16,482)	8,500	428	6,232
Transfers between Funds		(2,105)	2,105			-	-
Net Incoming Resources for the year		6,305	2,105	(16,482)	8,500	428	6,232
Other recognised gains & Losses							
Realised and unrealised (losses)/gains on investments	7	3,039	216,680	-	21,836	241,555	(103,451)
Net Movement In Funds		9,344	218,785	(16,482)	30,336	241,983	(97,219)
Fund Balances Brought Forward as at 1 September 2020		116,513	1,335,501	33,684	104,503	1,590,201	1,687,420
Fund Balances Carried Forward as at 31 August 2021		125,857	1,554,286	17,202	134,839	1,832,184	1,590,201

All operations of the Charitable Fund continued throughout both periods and no operations were acquired or discontinued in either period. All recognised gains and losses during the year are included within the Statement of Financial Activities. The notes on pages 8 – 12 form an integral part of these Financial Statements.

Balance Sheet as at 31 August 2021

	Notes	2021 £	2021 £	Restated 2020 £	Restated 2020 £
Fixed Assets					
Investment portfolios at market value	7		<u>1,760,587</u>		<u>1,519,032</u>
Current Assets					
Current Investment Assets					
Debtors	8	<u>10,062</u>		14,272	
Cash at Bank and in hand		<u>68,505</u>		<u>91,468</u>	
		<u>78,567</u>		105,740	
Creditors : amounts falling due within one year	9	(6,970)		(34,571)	
			<u>71,597</u>		<u>71,169</u>
Total assets less current liabilities			<u><u>1,832,184</u></u>		<u><u>1,590,201</u></u>
Represented by :					
Funds and reserves					
Endowed Funds	10 - 12		<u>134,839</u>		104,503
Restricted Funds	10 - 12		<u>17,202</u>		33,684
Unrestricted Funds	10 - 12				
Designated Investment Fund		<u>1,554,286</u>		1,335,501	
General Fund		<u>125,857</u>	<u>1,680,143</u>	116,513	<u>1,452,014</u>
			<u><u>1,832,184</u></u>		<u><u>1,590,201</u></u>

Approved by the Trustees on 3 March 2022 and signed on their behalf by :



Trustee

Notes to the Financial Statements for the year ended 31 August 2021

1 Accounting Policies

Basis of Preparation

The Financial Statements have been prepared in accordance with applicable United Kingdom accounting standard, the SORP (FRS 102) and the Charities Act 2011.

Incoming Resources

Incoming resources are recognised in the period in which the Trust is entitled to receipt. Income arising on UK investments and on bank deposits is recognised when the income is due. Donations received in the form of shares or other tangible and intangible assets are disposed of at the earliest practical date and the proceeds brought into account. Such assets held at the year-end are accounted for at market value.

Resource Expended

Charitable Expenditure

Grants

All grants are charged in the year in which they are approved by the Trustees to the extent they are payable out of the current year's income and surplus resources from previous years.

Governance costs

Governance costs comprise those which relate to services identified as relating to the central management and admission of the charity and compliance with constitutional and statutory requirements. These costs are charged on an accrual basis.

Investments

Investments held as Fixed Assets are included at the year end at Market Value, being the market price of the constituent holdings at the close of business on 31 August 2021. Realised and unrealised gains and losses are included in the Statement of Financial Activities

Fund Accounting

The Endowment fund comprises monies which are held on trust to be retained for the benefit of the charity as a capital fund. Monies that are raised for Bursaries and Scholarships are receipted into this fund, with the exception of those that carry specific restrictions (these would be receipted into the Restricted Fund). The Trustees have the power of discretion to convert this into income.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions, subject to donor imposed restrictions.

The Designated Investment Fund represents amounts put aside by the Trustees to produce a regular income for Scholarships and Bursaries at Colfe's School.

The Designated Investment Fund is unrestricted and may be used at the total discretion of the Trustees.

Colfe's Charitable Trust

Financial Instruments

The Trust only 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 their settlement value.

Debtors

Debtors are initially recorded at fair value and are assessed for impairment at each balance sheet date. If any impairments exist the debtors are re-measured to the present value of future cash inflows.

Creditors

Creditors are initially recorded at fair value and are then re-measured to the present value of the expected future cash outflows.

Notes to the financial statements For the Year Ended 31 August 2021

2	Donations and legacies	Unrestricted	Restricted	2021	2020
		£	£	£	£
	Cash Donations	3,465	12,800	16,265	40,164
	Event Income	-	-	-	-
	Book sales	261	-	261	60
	Tax recovered via Gift Aid	741	3,200	3,941	7,614
	Legacies	2,105	-	2,105	5,000
		<u>6,572</u>	<u>16,000</u>	<u>22,572</u>	<u>52,838</u>
3	Investment Income	Unrestricted	Restricted	2021	2020
		£	£	£	£
	Dividends - UK Unit Trusts	60,018	-	60,018	61,375
	Deposit Interest	4	-	4	189
		<u>60,022</u>	<u>-</u>	<u>60,022</u>	<u>61,564</u>
4	Costs of raising funds	Unrestricted	Restricted	2021	2020
		£	£	£	£
	Fundraising	-	-	-	-
	Legal costs associated with legacy	5,978	-	5,978	4,286
	CAF Charges	11	-	11	19
		<u>5,989</u>	<u>-</u>	<u>5,989</u>	<u>4,305</u>
5	Expenditure on Charitable Activities	Unrestricted	Restricted	2021	2020
		£	£	£	£
	Grants To Colfe's School (a connected Charity)				
	Provision for Bursaries and Scholarships for the Academic Year	50,000	-	50,000	82,717
	Other Donations	-	900	900	2,854
	Specific Student Bursaries	-	23,082	23,082	16,079
	Governance costs	2,195	-	2,195	2,215
		<u>52,195</u>	<u>23,982</u>	<u>76,177</u>	<u>103,865</u>
6	Governance Costs	Unrestricted	Restricted	2021	2020
		£	£	£	£
	Examination Fee	2,160	-	2,160	2,180
	Other Expenses	35	-	35	35
		<u>2,195</u>	<u>-</u>	<u>2,195</u>	<u>2,215</u>

During the year the Trust employed no staff (2020: Nil). No trustee received any remuneration (2020: £Nil).

Notes to the financial statements For the Year Ended 31 August 2021

7 Investments	2021 £	2020 £
<u>Quoted UK Equity Investments</u>		
Market Value as at 1 September 2020	1,519,032	1,622,483
Add : Additions at cost	-	461,583
Disposal at Market Value	-	(461,583)
Reversal of Gains on disposal	-	(48,717)
Realised gains on disposal	-	85,584
Net Unrealised investment (loss)/gain	241,555	(140,318)
Market Value of Investments at 31 August 2021	<u>1,760,587</u>	<u>1,519,032</u>
Historic cost of investments at 31 August 2021	<u>1,483,332</u>	<u>1,483,332</u>

Investment Fund assets are held in UK Unit Trusts

Individual investment holdings in excess of 5% of the total investments held at the year end were :	2021 %	2020 %
Schroders the Equity Income Trust	0%	0%
COIF Charity Investment	32%	31%
M & G Charifund Units	45%	42%
M & G Charibond Units	23%	27%

8 Debtors	2021 £	2020 £
Interest and Dividends due	6,098	4,704
Colfe's School	-	2,155
Other Debtors	-	-
Recoverable UK taxation (Gift Aid)	3,964	7,413
	<u>10,062</u>	<u>14,272</u>

9 Creditors	2021 £	2020 £
Colfe's School	1,174	31,992
Sundry Creditors	5,796	2,579
	<u>6,970</u>	<u>34,571</u>

10 Movements in Funds	General Fund	Designated Investment Funds	Restricted Funds	Endowed Fund	Total 2021	Total 2020
	£	£	£	£	£	£
Balance at 1 September 2020	116,513	1,335,501	33,684	104,503	1,590,201	1,687,420
Net incoming/(outgoing) resources	6,305	2,105	(16,482)	8,500	428	6,232
Unrealised (losses)/gains on investments	3,039	216,680	-	21,836	241,555	(103,451)
Balance at 31 August 2021	<u>125,857</u>	<u>1,554,286</u>	<u>17,202</u>	<u>134,839</u>	<u>1,832,184</u>	<u>1,590,201</u>

Endowed fund represents a Scholarship & Bursaries fund that is being raised by the Development Office. Income from this fund is being credited to general funds.

The Trustees, through their review of draft Financial statements for the year ended 31 August 2021, identified that the allocation of cash at bank between funds was incorrect, resulting in misstatement of the fund balances. This was due to attributing historic transactions to the incorrect funds and is a longstanding presentation error. The opening balance of these funds has been restated to correct the misstatement. The over statement/(under statement) was; General funds £86,341, Designated funds (£198,978), Endowed fund £112,637. The misallocation of funds has not influenced the activities of the Trustees in this period as for practical purposes, all funds have been managed to provide grants for bursaries to Colfe's School. Therefore decisions on the level of grant made have been made on Total funds which was not misstated

Notes to the financial statements For the Year Ended 31 August 2021

11 Restricted Funds

	Specific Student Bursaries	Capital Projects 6th Form Centre	Eco Garden	Archiving	Sport	Total
	£	£	£	£		
Balance as at 1 September 2020	19,886	313	500	12,985	-	33,684
Donations received	7,500	-	-	-	-	7,500
Grants paid	(23,082)	-	-	(900)	-	(23,982)
Balance at 31 August 2021	4,304	313	500	12,085	-	17,202

12 Analysis of Assets Between Funds

	General Fund	Designated Investment Funds	Restricted Funds	Endowed Funds	Total 2021
	£	£	£	£	£
<u>Tangible Fixed Assets</u>					
Investments	100,965	1,554,286	-	105,336	1,760,587
<u>Current Assets</u>					
Cash at Bank and in Hand	25,000	-	15,702	27,803	68,505
Debtors	6,862	-	1,500	1,700	10,062
Creditors	(6,970)	-	-	-	(6,970)
	125,857	1,554,286	17,202	134,839	1,832,184

13 Related Party Transactions

The charities connected to Colfe's Charitable Trust and the transactions between them and the Trust are:

Colfe's School

	Paid in year	
	2021	2020
	£	£
Grants Made to Colfe's School	73,982	101,650
	73,982	101,650

As at 31st August 2020 Colfe's Charitable Trust owed a balance of £31,992 to Colfe's School (2020: £31,992) and Colfe's School owed a balance of £2,155 to Colfe's Charitable Trust (2019 : £0)

Day to day management of the Trust is by the Bursar and staff of Colfe's School and no charge for their time and accommodation has been charged in these accounts

14 Contingent Assets

At 31st August 2021, there was approximately £500,000 (2020: £500,000) in relation to a legacy bequeathed to the school.