

# St Marylebone Educational Foundation

Trustees Report and Financial Statements

for the Year Ended 31 August 2021

Westlake Clark Audit LLP  
7 Lynwood Court  
Priestlands Place  
Lymington  
Hampshire  
SO41 9GA

# **St Marylebone Educational Foundation**

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## **St Marylebone Educational Foundation**

### **Trustees' Report**

The Registered Address is: 12 Melcombe Place, Marylebone Station, Marylebone, London NW1 6JJ.

The Trustees shown below have held office during the whole of the period from 1 September 2020 to the date of this report:

Ex-officio - The Rector of St Marylebone, The Reverend Canon Stephen Evans.

Nominative - Mr Joseph Dunton, appointed by Westminster City Council June 2021 for a term of four years.

Nominative - Mr Andrew James Varley, appointed by Westminster City Council October 2021 for a term of four years.

Nominative - Mr Kathryn Mary Roskell, appointed by Westminster City Council October 2021 for a term of four years.

Nominative - Mrs Sarah Woolman, appointed by Westminster City Council, re-appointed for a further four years expiring in January 2022, resigned June 2021.

Nominative - Ms Lucy Dennett, appointed by Westminster City Council, re-appointed for a term of four years. Her term of office expires in March 2025.

Co-optative - Ms Victoria Dare, appointed January 2018 for a term of five years until January 2023.

Co-optative - Mrs Helen Wells, Chairman, re-appointed 2018 for a term of five years to May 2023.

Co-optative - The Reverend Ralph Williamson, Vicar of St Peter's Eaton Square, re-appointed for a term of five years to June 2025, resigned January 2021.

Clerk to the Trustees: Mrs Caroline Grant.

#### **Auditors**

Westlake Clark Audit LLP  
7 Lynwood Court  
Priestlands Place  
Lymington  
Hampshire  
SO41 9GA

#### **Solicitors**

DAC Beachcroft  
100 Fetter Lane  
London  
EC4A 1BN

#### **Bankers**

CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill,  
West Malling  
Kent  
ME19 4JQ

#### **Investment Managers**

Rathbone Investment Management  
Senator House,  
85 Queen Victoria Street  
London  
EC4V 4ET

# St Marylebone Educational Foundation

## Trustees' Report

The trustees present the annual report together 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 pages 13 to 15 and comply with the charity's trust deed and applicable law.

### Structure, Governance and Management

#### *Nature of governing document*

The St Marylebone Educational Foundation is the lineal successor of the St Marylebone Charity School, itself founded in 1750. The Charity Commission ordered the approval and establishment of the updated Scheme in November 1977.

The Trustees agreed at their Meeting in June 2016 to instruct Lee Bolton Monier Williams Solicitors to assist them in revising the scheme to both modernise it and comply with current legislation. The revision was completed and adopted in July 2018.

#### *Recruitment and appointment of trustees*

The Foundation would look to the local community and the wider education community and should that fail advertisements will be placed in relevant places. Finding the right person should take precedence over speed.

The applicants will be asked to state, in writing, their reasons for wishing to become a Trustee and outline the benefit they would bring to the Foundation and its beneficiaries. Prospective Trustees should also be able to demonstrate they would be fully supportive of the Charitable Objectives and aims of the Foundation and that they are familiar with and happy to abide by the principles of the Nolan Code of Conduct for the trustees of small charities.

Should there be more than one suitable applicant for the position the Trustees will make their decision after interviewing all interested parties.

The appointment would be made once the Trustees were satisfied of the applicant's suitability for, and commitment to, the role.

Once appointed the new Trustee will inform the Foundation of any Conflicts of Loyalty and sign the Declaration confirming their eligibility to act as a Trustee.

#### *Induction and training of trustees*

Newly appointed and re-elected Trustees are provided with a copy of the Scheme and are requested to sign a Declaration of acceptance and willingness to act in the trusts of the Scheme. In addition, all Trustees are now required to sign an Automatic Disqualification Declaration according to Annex A provided by the Charity Commission. Trustees are expected to have interest in and knowledge of the area covered by the remit of the Foundation's scheme. In particular, the Rector of St Marylebone is also an ex officio Governor of The St Marylebone Church of England School, a Member of the Board & Director of the St Marylebone Bridge School and a Trustee of the Buildings and Land of those Schools. Newly appointed Trustees are also provided with copies of recent minutes indicating decisions made by the Trustees.

#### *Organisational structure*

The Trustees and the designations of their appointments are set out on page one.

The Trustees make all the decisions on the Charity's expenditure and Grant Awards at their meetings which take place three times a year. A special meeting is called to discuss a particular matter should it be deemed necessary.

The Trustees have completed a Register of Interests and this is verified at each meeting.

#### *Major risks and management of those risks*

The Trustees have examined the major strategic business and operational risks which the charity faces and confirm that systems have been established to enable regular monitoring to continue so that the necessary steps can be taken to lessen these risks. The Trustees can confirm that no major incidents have occurred during this financial year.

# **St Marylebone Educational Foundation**

## **Trustees' Report**

### **Charitable Purposes and Activities**

Since 1977 when the scheme was rewritten the main objectives of the Foundation have been as follows, the amendments in 2018 have modernised the wording;

- In making payments for the benefit of The St Marylebone Church of England School ("the School") to the School Managers, Governors or trustees for the time being of the School for so long as it continues to have a religious designation as a Church of England school. (Note: the School must be a school within the meaning of the Education Acts and may take the form of an Academy or be part of any Multi-academy Trust or group of schools).

- In promoting the education of persons under the age of 25 years who are either resident in the City of Westminster or are attending, are about to attend or have for not less than two consecutive years attended any school in the said City of Westminster and who are in need of financial assistance, with a preference for those persons qualified as aforesaid who are resident in the area of the former Metropolitan Borough of St Marylebone or are attending, are about to attend or have not less than two consecutive years attended any school in that area, in one or more of the following ways:-

- In awarding to such persons scholarships, bursaries and maintenance allowances or grants tenable at any school, university, college of education or other institution of further (including professional and technical) education approved for the purpose by the Trustees;

- In providing financial assistance, outfits, clothing, tools, instruments or books to assist such persons to pursue their education (including the study of music and the other arts), to undertake travel in furtherance thereof, and to prepare for or enter a profession, trade, occupation or service on leaving school, university or other educational establishment;

- In providing facilities not normally provided by the local education authority or from central government funds (including from the Department for Education) for recreation and social and physical training for such persons who are receiving primary, secondary or further education;

- Within the limits prescribed by this Scheme, the Trustees shall have full power to make rules for the award of scholarships, bursaries, maintenance allowances or other benefits, including rules as to the value and period of tenure of the awards, and the qualifications and methods of ascertainment and selection of candidates for benefit;

- If and in so far as income of the Charity in any year is not required for application in manner aforesaid the Trustees may apply the same in making payments to the Managers, Governors or trustees for the time being of any other school in The City of Westminster to be applied by them for the benefit of the school where that benefit is not inconsistent with the teachings of the Church of England.

# **St Marylebone Educational Foundation**

## **Trustees' Report**

### **Grant Making Policy**

The Foundation's policy is to ensure the successful discharge of the Objectives set out above thus ensuring that benefits are available to those eligible applicants in greatest need of assistance.

Having ensured that the primary objectives are met the remaining available funds are subject to the Trustees' grant awarding strategy which is based upon assisting as many individuals as possible between the ages of eight and eighteen in varying disadvantaged situations to achieve a suitable education for their needs as is commensurate with the income available, with particular emphasis on enabling the continuation of an education already embarked upon. Assistance is provided to those with particular educational needs, ranging from those for whom the ill health of parents means that boarding school is a preferred option to those who have specific educational needs in their own right.

The Clerk requires regular reports from the schools to ensure that the progress of pupils in receipt of awards is satisfactory and makes annual checks to ensure that the assistance given is appropriate to the circumstances.

The numbers of students at each of the Music Colleges who are awarded grants is limited to six and dependent upon the eligibility of the students to predetermined criteria. The two music colleges are selected because the main income for the Foundation is received from the Royal Academy of Music. Applications from tertiary students, other than the limited number interviewed annually at the two music colleges sited in Westminster, were declined due to the limited funds known to be at the disposal of the Trustees.

The Trustees agreed that other Primary Schools should be invited to tender for funding, a budget of £50,000 was set aside, a nominal figure of £10,000 allocated to each school that requests funding.

### **Benefits Policy**

The Foundation's policy is to ensure a continuance of financial assistance to those individuals and organisations as set out in the Objectives. The founders of the charity originally intended that children residing in the Parish of St Marylebone should benefit educationally from their financial assistance. When the Scheme was re-written in 1977 the geographical area was widened to encompass that of the City of Westminster and eligibility for educational assistance is reliant upon a tangible connection to Westminster.

The income to the charity, restricted to the rental income from the Royal Academy of Music and income from investments is considered by the Trustees to be too small to allow a widening of the geographical area covered. By restricting the eligibility, the funds available both to individuals and organisations can be great enough to actually facilitate change and therefore benefit.

The individuals assisted benefit in various ways:  
Continuance of education at a current school or Music College  
Facilitating boarding for those with a difficult domestic situation  
Facilitating attendance of a school to assist with special educational needs  
Enhancing a child's situation to avoid educational and emotional hardship.

Often the individuals assisted by the Foundation continue to Further Education gaining a Degree, which may serve to assist in their future careers.

The schools benefit from funds to maintain or improve their educational establishments either materially or by specific educational provision therefore bettering their pupil's experience and education.

By the continuing provision of assistance with the maintenance charges for both The St Marylebone School and the primary schools within the St Margaret's Deanery Synod many pupils are enabled to attend properly maintained schools. The Foundation also provide grants to organisations that in turn benefit the education of children or provide essential uniform or equipment to aid their education. For example, the St Vincent's Family Project, a City of Westminster based charity helping Westminster families, is in receipt of an annual grant from the Foundation towards the uniform costs a family faces every year.

### *Public benefit*

The Trustees have read the Guidance on Public Benefit issued by the Charity Commission and fulfil their obligations with due consideration to that Guidance, with particular reference to the benefits of advancement of education.

## St Marylebone Educational Foundation

### Trustees' Report

#### **Achievements and performance during this Financial Year**

During the year eleven individual pupils received grants totalling £42,659 (2020 £31,413). Of these one was a new beneficiary. There has been a slight decrease in the number of applications from eligible candidates in 2020-21 than last year.

A sum in the accounts allows for payments of grants towards the annual maintenance costs of The St. Marylebone School and the primary schools within the St Margaret's Deanery Synod.

St Marylebone School have not requested help with their maintenance costs this year, however the Foundation has provided funding towards various building projects, details below:

Westminster St Margaret's Deanery Synod requested funding for maintenance for schools in their care during this financial year and received a grant in the sum of £8,000 (2020 £8,000).

The Royal Academy of Music and the Royal College of Music had been allocated their grants for the 2020-21 Academic Year during 2019-20. Twelve Music Students for the 2020-21 academic year have been interviewed and their grant funding paid after October 2020 once the students have taken up their place. The Foundation makes funds available annually for Music Grants, the amount agreed for 2020-21 is £22,680 (2020 £22,680). These grants enabled the students to enrol on and complete their chosen courses.

The St Marylebone CE School requested funding during 2020-21, a total of £94,764. The requests comprised refurbishment of student washroom facilities and relocation and refurbishment of SEND teaching rooms. The first payment of £36,926 was made in October 2021, a second payment of £43,074 is due in April 2022 and a 3rd and final payment of £14,764 will be made in October 2022.

The St Marylebone CE School funding totalling £148,074 in 2019-20. The requests comprise Installation of Air Conditioning in the science labs, dance studios and English classrooms, redecoration of general classrooms in blocks C and A and the Victorian building, provision of modern IT equipment and storage facilities in the library study rooms and 6th form common room. The Trustees agreed in June 2020 that this funding could be made available over a period of thirteen months and disbursed in five instalments. The School will receive the final instalment in October 2021.

The Marylebone Boys School were awarded funding to purchase items to further their theatre space, AV equipment and electrical installation. The school was awarded a total of £42,973. This funding was paid in two instalments, £37,000 in August 2021 and a final payment of £5,973 in October 2021.

The St Marylebone CE Bridge School were awarded funding in the sum of £8,981 towards provision of music equipment to facilitate lessons.

St Vincent's Family Project was awarded £1,500 to assist City of Westminster families to purchase uniform for their child's school.

St Peter's Eaton Square C E School were awarded £10,000 towards the Latin Programme run by an outside provider at the school.

#### **Financial Review and Investment Policy**

During the year income totalled £275,800 (2020 - £264,874). The income of the Foundation comes mainly from rent paid by the Royal Academy of Music for the land which forms a substantial part of the site of the Royal academy of Music; the rent paid is currently £263,500 per annum. The lease to the Royal Academy of Music is for a term of 99 years from 24 June 1974 and provides for seven yearly upwards only rent reviews. The last full rent review was in June 2016, which provided an increase of £111,000 per annum. A further review due to the Royal Academy of Music altering the buildings on the land was finalised during 2019-20. BNP Paribas reached an agreement on behalf of the Foundation; the rent increased from September 2020 by £12,500 to £263,500 per annum.

Additional income is derived from investments held as part of the capital of the Foundation, the Designated Fund, and from investments representing temporarily invested income, the General Fund. These investments are held in the nominee names of stockbrokers Rathbone Investment Management Limited. At a Special Meeting held on 25th February 1999 the Trustees decided to entrust Rathbone Investment Management Limited with discretionary management of the Foundation's investments. This decision has been further reviewed and the discretionary management has been continued.

## St Marylebone Educational Foundation

### Trustees' Report

An additional investment in CCLA in the Charities Investment Fund, invested prior to 1999, also provides a small income to the Foundation.

The investments were considerably depleted by the need to fund a grant awarded to the St Marylebone School from 2004-2007 and the reserves are still being built up for the future to increase the investment levels and ensure the Foundation can continue to help its beneficiaries.

The investment strategy is based upon a low risk profile with a balance between the objectives of capital growth and regular income. This strategy has been of benefit during 2019-20, the global pandemic affected investments considerably and averted loss.

Total expenditure during the year was £372,897 (2020 - £241,616). Grants payable are the Charity's greatest expense with £344,631 paid out as grants in the financial year (2020- £212,271 ).

#### Financial review

##### *Policy on reserves*

During recent years the Foundation has much reduced the number of grants awarded in order to increase the Foundation's capacity to perform its remit during future years. This has successfully returned the annual accounts to a small surplus enabling greater confidence in assessing grant awards for beneficiaries and the future capacity to pay the grants awarded.

The increase in rent has enabled the Foundation to provide large sums to the St Marylebone School over the next year without accessing the reserves. It remains the intention that the grants awarded over the next few years will remain at a relatively reduced level in order to enable the Foundation to meet any future requests from the St Marylebone School for larger than average sums. Depending on the amounts called for by the St Marylebone School it may be necessary to continue this policy for some years.

The Foundation is largely reliant upon income from the land upon which the Royal Academy of Music stands and is not in a position to ensure continuation of income in the event of problems at the Royal Academy of Music. Should such an event occur, the Trustees of the Foundation would contact other Trusts and endeavour to find assistance for those individuals who might therefore suffer. Each year the recipients of grants change, with their increasing ages varying the long-term liabilities of the Foundation.


As at 31st August 2021 reserves were £1,036,515 of which £385,214 is held in a designated fund. The level of reserves invested should allow the Foundation to honour its commitments to the end of their terms.

#### Disclosure of information to auditor

So far as each of the Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the School's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees report was approved by the trustees of the charity on 15 June 2022 and signed on its behalf by:

  
.....  
Ms L. Dennett  
Trustee



## St Marylebone Educational Foundation

### Statement of Trustees' Responsibilities

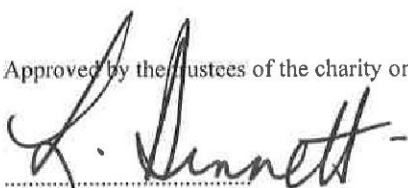
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities in England & 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 2019 (FRS 102);
- make judgements and 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 the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 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 of the charity on 15 June 2022 and signed on its behalf by:



Ms L Dennett  
Trustee

## **St Marylebone Educational Foundation**

### **Independent Auditor's Report to the Members of St Marylebone Educational Foundation**

#### **Opinion**

We have audited the financial statements of St Marylebone Educational Foundation (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements 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 entity'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 Trustee's with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees 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.

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.

## **St Marylebone Educational Foundation**

### **Independent Auditor's Report to the Members of St Marylebone Educational Foundation**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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 accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Irregularities, including fraud, are instances of non-compliances 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:

Discussions were held with, and enquiries made of, management and those charged with governance with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards SORP 2019, Charity Act, Pensions legislation,
- It is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.


## **St Marylebone Educational Foundation**

### **Independent Auditor's Report to the Members of St Marylebone Educational Foundation**

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

This report is made solely to the charity 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 trustees those matters we are required to state to trustees in an auditors' 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Bobby Gurdep Bhogal ACA ACCA ATT (Senior Statutory Auditor)

For and on behalf of Westlake Clark Audit LLP

7 Lynwood Court

Priestlands Place

Lymington

Hampshire

SO41 9GA

Date: 16 June 2022

# St Marylebone Educational Foundation

## Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>				
Investment and rental income	2	275,800	275,800	264,874
Total Income		275,800	275,800	264,874
<b>Expenditure on:</b>				
Raising funds	3	(4,115)	(4,115)	(3,871)
Charitable activities	4	(368,782)	(368,782)	(237,745)
Total Expenditure		(372,897)	(372,897)	(241,616)
Gains/losses on investment assets		132,727	132,727	1,520
Net income		35,630	35,630	24,778
Net movement in funds		35,630	35,630	24,778
<b>Reconciliation of funds</b>				
Total funds brought forward		1,000,885	1,000,885	976,107
Total funds carried forward	16	1,036,515	1,036,515	1,000,885

All of the charity's activities derive from continuing operations and relate to unrestricted funds only during the above two periods.

The funds breakdown for both periods is shown in note 16.

# St Marylebone Educational Foundation

(Registration number: 312378)  
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	10	201,295	200,000
Investments	11	<u>810,955</u>	<u>674,261</u>
		<u>1,012,250</u>	<u>874,261</u>
<b>Current assets</b>			
Debtors	12	595	459
Cash at bank and in hand	13	<u>136,260</u>	<u>129,525</u>
		136,855	129,984
<b>Creditors: Amounts falling due within one year</b>	14	<u>(112,590)</u>	<u>(3,360)</u>
<b>Net current assets</b>		<u>24,265</u>	<u>126,624</u>
<b>Net assets</b>	17	<u>1,036,515</u>	<u>1,000,885</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted	16	<u>1,036,515</u>	<u>1,000,885</u>
<b>Total funds</b>		<u>1,036,515</u>	<u>1,000,885</u>

The financial statements on pages 11 to 24 were approved by the trustees, and authorised for issue on 15 June 2022 and signed on their behalf by:



.....  
Ms L Dennett  
Trustee

# **St Marylebone Educational Foundation**

## **Notes to the Financial Statements for the Year Ended 31 August 2021**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **General information and basis of preparation**

St Marylebone Educational Foundation is an unincorporated charity registered with the Charity Commission. The nature of the Charity's operations and principal activities are given on page 2.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in pound sterling which is the functional currency of the charity and rounded to the nearest £1.

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Going concern**

The Charity's Financial Statements show a net surplus of £35,630 for the year and free reserves of £651,301.

The trustees are of the view that these results secured the immediate future of the charity for the next 12 to 18 months and on this basis the charity is a going concern.

During the year, the Coronavirus (COVID-19) continued to be prevalent globally resulting in a significant impact on the economy worldwide. The Trustees continue to monitor and assess the ever-changing environment in order to position the charity to ensure its future success. Having considered the possible financial impact of the Covid-19 Pandemic on the charity, the Trustees are satisfied that the financial statements do not need to include any adjustments that might result from the continuing uncertainty.

#### **Income and endowments**

##### ***Investment income***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Rent is accounted for in the period on a receivable basis.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

## **St Marylebone Educational Foundation**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant payable***

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

- the charity has communicated its intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant or
- the charity has made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant or
- there is an established pattern of practice which indicates to the recipient that we will honour our commitment.

The trustee has control over the amount and timing of grant payments and consequently where approval has been given by the charitable fund committee, on behalf of the trustee, and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are then those conditions have to be met before the liability is recognised.

#### ***Support costs***

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### ***Irrecoverable VAT***

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### ***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 charitable purposes.

#### ***Tangible fixed assets***

Leasehold land is stated at cost for reasons detailed in note 10.

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Individual fixed assets costing £250 or more are capitalised at cost.



## St Marylebone Educational Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### Depreciation and amortisation

Asset class	Depreciation method and rate
Compute Equipment	25% Straight line method
Leasehold Land	No Depreciation

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are set aside to enable the St Marylebone Educational Foundation to meet its medium and long term commitments to beneficiaries.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

#### Financial instruments

##### Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **St Marylebone Educational Foundation**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 2 Investment and rental income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Income from dividends;			
Dividends receivable from other listed investments	12,300	12,300	13,874
Income from rents	263,500	263,500	251,000
	<u>275,800</u>	<u>275,800</u>	<u>264,874</u>

The investment income in 2020 totalling £264,874 was attributed to unrestricted funds.

### 3 Expenditure on raising funds

	Direct costs £	Total 2021 £	Total 2020 £
Investment management costs	4,115	4,115	3,871

All of the above expenditure was attributable to unrestricted funds for both periods shown.

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 4 Expenditure on charitable activities

	Grant funding of activity £	Activity support costs £	Total 2021 £	Total 2020 £
Payment of educational grants	344,631	24,151	368,782	237,745
The foundation has during the year awarded grants to the following institutions:		2021	2020	2019
		£	£	£
Royal Academy of Music		14,453	12,370	11,782
Royal College of Music		8,227	10,310	9,818
Queens Park School		-	8,500	10,000
The St Marylebone Church of England School		207,838	95,232	75,000
The St Marylebone Church of England Bridge School		8,981	46,355	12,025
Marylebone Boys School		42,973		10,000
St Peter's Eaton Square C E School		10,000		9,200
Westminster Deanery Synod		8,000	8,000	8,000
St Vincent's Family Project		1,500	91	-
		301,972	180,858	145,825
Grants payable to 11 individuals (2020: 10)		42,659	31,413	25,715
		344,631	212,271	171,540
<b>Grants payable analysed by nature:</b>		2021	2020	2019
			£	£
Provision of equipment		52,427	46,355	12,025
School maintenance		8,000	8,000	8,000
Building works/ improvements		110,601	103,732	125,800
Student grants		65,339	54,093	25,715
Provision of project funding		10,000	-	-
Provision of uniforms		1,500	91	-
Provision for refurbishment		96,764	-	-
		344,631	212,271	171,540

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 5 Analysis of governance and support costs

#### Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Staff costs £	Other support costs £	Total 2021 £	Total 2020 £
Expenditure on charitable activities	<u>4,524</u>	<u>84</u>	<u>15,524</u>	<u>4,019</u>	<u>24,151</u>	<u>25,474</u>

#### Governance costs

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Audit fees			
Audit of the financial statements	1,800	1,800	1,800
Other fees paid to auditors	1,560	1,560	1,560
Depreciation, amortisation and other similar costs	151	151	-
Other governance costs	<u>1,013</u>	<u>1,013</u>	<u>84</u>
	<u>4,524</u>	<u>4,524</u>	<u>3,444</u>

### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## St Marylebone Educational Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2021

#### 7 Staff costs

The staff costs relates to the services of the clerk to the Trustees. There are no other employees. Please note that the clerk provides the office space and associated costs which have not been quantified in these accounts.

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	14,895	15,108
Pension costs	629	588
	<u>15,524</u>	<u>15,696</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Clerk to the trustees	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £15,524 (2020 - £15,696).

#### 8 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>1,800</u>	<u>1,800</u>
<b>Other fees to auditors</b>		
All other non-audit services	<u>1,560</u>	<u>1,560</u>

#### 9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 10 Tangible fixed assets

	Land and buildings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 September 2020	200,000	-	200,000
Additions	-	1,446	1,446
At 31 August 2021	200,000	1,446	201,446
<b>Depreciation</b>			
At 1 September 2020	-	-	-
Charge for the year	-	151	151
At 31 August 2021	-	151	151
<b>Net book value</b>			
At 31 August 2021	200,000	1,295	201,295
At 31 August 2020	200,000	-	200,000

Included in land and building is leasehold land continues to be shown in the accounts at the historical cost figure of £200,000. The Trustees are of the opinion that, given the nature of the lease, this figure is reasonably representative of the value of the land and comment as follows:

The land on which part of the Royal Academy of Music stands is leased from Howard de Walden Estates for a term of 917 years from 25th March 1837, at the yearly rent of £15. By an underlease this land fronting Marylebone Road is occupied by the Royal Academy of Music for a term of 99 years from the 24th June 1974. It is understood that the Royal Academy of Music leases the land on which the rear of their building stands from the Crown Estate Commissioners.

The Royal Academy of Music pays rent to St Marylebone Educational Foundation on the basis of a seven yearly independent professional rent assessment to arrive at an agreed annual figure. This rental income is the principal source of revenue for the Foundation's activities.

Having taken professional advice, the Trustees have concluded that:

- the complex nature of the leaseholding would involve considerable professional assistance to arrive at a 'market value',
- a 'market value' could only be arrived at after assumptions had been made as to the alternative uses to which the land could be put,
- the cost of achieving professional valuations on a regular basis would have a very significant adverse impact on the main source of the charity's income,
- there is virtually no opportunity or possibility in the foreseeable future for the charity to dispose of the land.

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 11 Fixed asset investments

	2021 £	2020 £
Other investments	810,955	674,261

### Other investments

	Listed investments £	Cash within investment portfolio £	Total £
<b>Cost or Valuation</b>			
At 1 September 2020	648,920	25,341	674,261
Revaluation	132,697	-	132,697
Additions	85,459	787	86,246
Disposals	(82,249)	-	(82,249)
At 31 August 2021	784,827	26,128	810,955
<b>Net book value</b>			
At 31 August 2021	784,827	26,128	810,955
At 31 August 2020	648,920	25,341	674,261

The fair value of listed investments is determined by reference to quoted prices for identical assets in an active market at the balance sheet date.

Listed Investment amounting to £519,272 pertains to amount invested in UK securities in the form of bond, equity, unit trust and fixed income security

### 12 Debtors

	2021 £	2020 £
Prepayments	446	179
Other debtors	149	280
	595	459

### 13 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	136,260	129,525

### 14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	109,230	-
Accruals	3,360	3,360
	112,590	3,360



# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 15 Commitments

#### Grant funding commitments

The Foundation has confirmed that it will provide funding to support the education of a number of individuals in the short term. These are subject to annual checks, and although these are committed levels of funding, the costs are expensed to the SOFA in the year in which each year's funding contribution is made.

### 16 Movement in funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	615,671	275,800	(372,897)	132,727	651,301
<i>Designated</i>					
Designated fund	385,214	-	-	-	385,214
<b>Total funds</b>	<u>1,000,885</u>	<u>275,800</u>	<u>(372,897)</u>	<u>132,727</u>	<u>1,036,515</u>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General fund	590,893	264,874	(241,616)	1,520	615,671
<i>Designated</i>					
Designated fund	385,214	-	-	-	385,214
<b>Total funds</b>	<u>976,107</u>	<u>264,874</u>	<u>(241,616)</u>	<u>1,520</u>	<u>1,000,885</u>

The specific purposes for which the funds are to be applied are as follows:

The designated fund is set aside to enable the Foundation to meet its medium to long term commitments to beneficiaries.

# St Marylebone Educational Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2021

### 17 Analysis of net assets between funds

	Unrestricted funds General £	Total funds 2021 £
Tangible fixed assets	201,295	201,295
Fixed asset investments	810,955	810,955
Current assets	136,855	136,855
Current liabilities	(112,590)	(112,590)
Total net assets	1,036,515	1,036,515

	Unrestricted funds General £	Total funds 2020 £
Tangible fixed assets	200,000	200,000
Fixed asset investments	674,261	674,261
Current assets	129,984	129,984
Current liabilities	(3,360)	(3,360)
Total net assets	1,000,885	1,000,885

### 18 Related party transactions

During the year the charity made the following related party transactions:

#### The St Marylebone CE Bridge School

(The Reverend Dr Canon Stephen Evans is a trustee)

Grants totalling £8,981 (2020 - £46,355) were paid to the School during the financial period. At the balance sheet date the amount due to/from The St Marylebone CE Bridge School was £Nil (2020 - £Nil).

#### The St Marylebone CE School

(The Reverend Dr Canon Stephen Evans is a trustee)

Grants totalling £207,838 (2020 - £95,232) were paid to the School during the financial period. At the balance sheet date the amount due to The St Marylebone CE School was £102,838 (2020 - £Nil).

#### St Peter's Eaton Square C E School

(The Reverend Ralph Williams is a trustee)

Grants totalling £10,000 (2020 - £Nil) were paid to the School during the financial period. At the balance sheet date the amount due to/from St Peter's Eaton Square C E School was £Nil (2020 - £Nil).

### 19 Parent and ultimate parent undertaking

The charity is controlled by the trustees on behalf of the members

### 20 Non-adjusting events after the financial period

Since the year end, the COVID-19 outbreak has continued to have a significant impact with further government lockdowns implemented in the UK.

The financial impact on the current business at present is difficult to evaluate. The trustees are continuing to monitor, assess and act to the changing environment to position the charity to ensure its future success.