

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales · Charity number 312695

Details

Status Registered

Legal form Other

Registered 1964-04-06

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

Contact

Address Central Foundation Boys School
Cowper Street
London
EC2A 4SH

Phone 02070173022

Website <https://www.centralfoundation.co.uk/>

Activities

Objects: 1. TO ADVANCE EDUCATION (INCLUDING THE SOCIAL AND PHYSICAL EDUCATION) OF THE BENEFICIARIES THROUGH:A. THE PROVISION OF ITEMS, SERVICES & FACILITIES FOR THE SCHOOLS; ANDB. FURTHERING THE EDUCATION OF BENEFICIARIES ATTENDING THE SCHOOLS BY THE AWARD OF PRIZES (OR OTHER SUITABLE REWARD); ANDC. GIVING GRANTS, BURSARIES OR OTHER PAYMENTS TO BENEFICIARIES WHO ARE IN FINANCIAL NEED:(I) TO ENABLE THEM TO CONTINUE THEIR EDUCATION IN ANY MANNER APPROVED BY THE TRUSTEES (INCLUDING THE ATTENDANCE AT ANY SCHOOL, COLLEGE, UNIVERSITY OR OTHER PLACE OF LEARNING); AND(II) IN PROVIDING FINANCIAL OR OTHER ASSISTANCE TO THEM TO ASSIST THEIR ENTRY INTO A PROFESSION, TRADE OR CALLING OR TO ENABLE THEM TO TRAVEL ABROAD TO PURSUE THEIR EDUCATION.

Activities: The provision and maintenance of a day school for girls and a day school for boys in London.Providing special benefits for the school of an kind not normally provided by the Local Education AuthorityAwarding exhibitions, bursaries or maintenance allowances tenable at any approved place of higher education.In otherwise promoting the education (incl social & physical training) of beneficiaries

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

Geography

- City Of London
- Islington
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,740,000	£3,666,000	£138,609,000	2
2024-03-31	£1,843,000	£3,709,000	£140,365,000	3
2023-03-31	£6,403,000	£2,532,000	£140,330,000	2
2022-03-31	£2,294,000	£2,412,000	£139,705,000	2
2021-03-31	£2,908,000	£2,308,000	£138,179,000	2

Trustees

Name	Role	Appointed
CFSL TRUSTEE LIMITED		2018-07-01

Linked charities

- ELEANOR GREEN PRIZE (312695-1)
- GIRLS SCHOOL PRIZE (312695-10)
- GASSIOT SCHOLARSHIP (312695-11)
- OTTILIE SHAW ANNUAL PRIZE AND AWARD (312695-12)
- THE SCOWEN KING MUSIC PRIZE (312695-13)
- STEPHEN, GEOFFREY AND SOPHY NUNN PRIZE (312695-14)
- COTEYN WARWICK AWARD (312695-15)
- JUDY TITE'S SCHOLARSHIP (312695-16)
- GODFREY M LEBHAR (312695-17)
- ROTHSCHILD SCHOLARSHIP FUND (312695-18)
- DR N J LEBHAR PRIZE (312695-19)
- ANNE JAY PRIZE (312695-2)
- MENZIES PRIZE FUND (312695-20)
- GIRLS SCHOOL STAFF BICENTENARY PRIZE FUND (312695-21)
- ALICE BROWN PRIZE (312695-22)
- F V GREEN SCHOLARSHIP (312695-23)
- GRACE NEWLAND PRIZE (312695-24)
- ALDRIDGE HISTORY PRIZE (312695-25)
- N MARTIN GIBBINS TRUST (312695-26)
- R BULLEN NEWTON PRIZE FOR NATURAL HISTORY (312695-27)
- LESLIE H FOX ART PRIZE (312695-28)
- GEORGE MOORE PRIZE (312695-29)
- ALICE BROWN PRIZE (312695-3)
- STANTON PRIZE (312695-30)
- DOROTHY RYAN PRIZE (312695-31)
- KATE SHARP PRIZE (312695-32)
- BANK OF ENGLAND SCHOLARSHIP (312695-33)
- R LOBB PRIZE (312695-34)
- ETHEL M BROWN (312695-35)
- NOELE GREGG PRIZE (312695-36)
- HADLOW ART PRIZE (312695-37)
- GROSSMARK PRIZE (312695-38)
- POUNSFORD PRIZE (312695-4)
- JANE JACKSON PRIZE (312695-40)

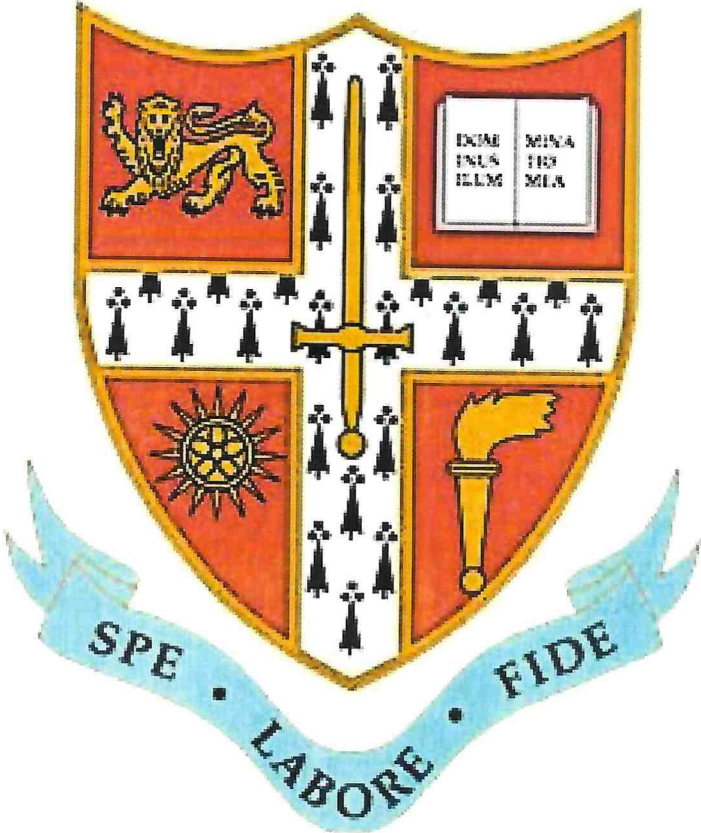
- MAVIS GIFT (312695-41)
- ROUNDELL PRIZE FUND (312695-42)
- ANNE JOY PRIZE (312695-5)
- GOVERNORS BI-CENTENARY PRIZE (312695-6)
- RACHEL ROGUL PRIZE (312695-7)
- MAURICE BRODY AWARD (312695-8)
- MARY HANBRIDGE PRIZE (312695-9)

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales - Charity number 312695

Accounts

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2025



Registered Charity No. 312695
Company No. 11294870

INTRODUCTION FROM THE CHAIR

I am delighted to introduce this year's annual report and reflect on the significant achievements of our schools and progress with the first year of our strategy.

The two Central Foundation schools continue to support an exceptional education for our students. Particularly impressive were the best ever 'A' Level results achieved by the Boys' School in 2024, and that both schools continue to perform at a level well above average for GCSE results assessed against the key Progress 8 measure¹, placing them in the top 16% in the country.

On top of these outstanding academic results, both schools continued to provide a rounded education which has been supported by donations received through the Foundation. For the Boys' School, new funding support in 2024-5 from the Hearn Foundation towards the School's Central Baccalaureate has already enabled all year 7 and 8 students to study for a LAMDA² qualification. For the Girls' School, the Dulwich Estate grant continues to fund a substantial part of the School's extra-curricular Central+ programme providing after-school activities every day of the week alongside extensive holiday programmes for years 7-13. I am also so pleased to report that the Hearn Foundation recently confirmed a further £1 million of funding over 10 years to launch the Hearn Performing Arts School based in the Hearn Centre, the renamed Boys' School Creative Arts Centre. I would like to extend the Foundation's sincere thanks to Peter Hearn, an ex-pupil of the Boys' School, for this incredibly generous support.

The Foundation has had a highly successful first year of its new strategy, led by our chief executive Sarah Gosling. With her vision, energy and remarkable ability to balance so many ideas, opportunities and demands, we have made significant progress. This has included a refresh of our student grants and bursaries programme; the launch of our first public fundraising campaign; and transforming our board recruitment practices. Working closely with the Board, Sarah has facilitated significant strategic conversations including exploring academisation and how the Foundation can bring value through direct delivery and collaboration. While the Foundation Board agreed that there was not an immediate case for academisation, with Sarah's leadership we have agreed 2-year funding for an exciting new collaboration with our schools which will see at least the launch of a new Student Opportunities Programme in autumn 2025. The work of the Foundation continues at pace as we start the new financial year.

Earlier than I hoped, but having served us so well for much longer than she had originally committed, Sarah has announced her intention to step down towards the end of 2025. So, I want to say a final thank you to her for the huge transformation and change in momentum she has facilitated. Thanks to Sarah, the Foundation can now look to the future with optimism and excitement knowing that it is well positioned to seize whichever opportunities it may choose in support of our beneficiaries. We are looking forward to doing that with Sarah's successor for whom active recruitment is currently underway.

Finally, I want to extend my thanks once again to the whole Trustee Board. Three years ago, we embarked on a significant journey knowing the Foundation needed to modernise and change. The trustees who have supported this journey, and those who have joined us in that period have been absolutely committed to creating a new direction, engaging in wide ranging and sometimes challenging discussions. The activities and impact this report reflects are testimony to their willingness to respond to the needs of our schools in support of an exceptional Central Foundation education for every student.

Stephen Brown
Chair of the Foundation

MESSAGE FROM THE CHIEF EXECUTIVE

Our Vision: Through an exceptional Central Foundation education, every student learns, develops, and grows so they can reach their full potential.

The first full year of our first ever formal strategy has been a remarkable journey. From refreshing our annual student grants and bursaries programme to launching our first ever fundraising campaign; approving the funding and contracts for the expansion of the Girls' School Sixth Form to launching a pilot events and visits programme for students. We also refreshed our website, overhauled financial processes, recruited four new trustees and appointed two permanent staff. A powerful Board Away Day looked at the government's policy on academisation and considered our response – I don't think I have ever found a decision to *not* to do something be quite so inspiring. Through the year our relationships with the two schools have deepened with plans for our first formal collaboration taking shape for autumn 2025.

Perhaps my highlight has been finally breaking ground on the Girls' School Sixth Form expansion project! My excitement at the prospect of 70 new places available to young women in the community, an extended curriculum, new teaching spaces, even more opportunities for the 450 students we will be able to take each year from September 2026 is palpable as the team will tell you! By the end of the coming financial year, I hope we will also secure the additional funding to transform the outside space at the Girls' School from what looked like a prison exercise yard to a beautiful garden courtyard paved with a Persian rug.

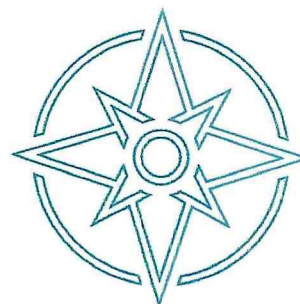
Our Mission: By leveraging our skills, funding and influence we will collaborate with our schools and partners to strengthen their education provision and outcomes, their governance, funding, and infrastructure.

My office is at our Boys' School, and I have smiled so many times looking out at the now completed Boys' School redevelopment which has become a thrumming hive of study and activity. Hundreds of boys are enjoying the new performing arts spaces, a widened extracurricular programme funded by the Hearn Foundation, careering around the lovely courtyard space or using the fantastic new sports facilities.

I have announced that I will be handing over to a new CEO this coming year, so with a new journey ahead, I am giving the final word to a wonderful poem by a student at Central Foundation Girls' School. It is taken from *Discovery enthral* by Loren-Joe Sultana Ali in *Discover – A publication of winners of The Tower Hamlets Creative Writing Competition 2024* which has delighted the writer and CEO in me. I have dipped in in moments when I needed a reminder of who we work for and why being part of this Foundation has been the most rewarding role of my career.

*So let us embrace the journey ahead,
With curiosity as our compass,
Fear left (in the) shed.*

*For in the dance of discovery and mystery's sway,
We find our purpose in every step we take.*



Sarah Gosling
Chief Executive

¹ Academic progress from end key stage 2 (year 6) to end key stage 4 (year 11), based on eight qualifications

² London Academy of Music and Drama

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Our Vision

Through an exceptional Central Foundation education, every student learns, develops, and grows so they can reach their full potential.

OBJECTIVES AND ACTIVITIES

The Central Foundation Schools of London (CFSL) was established as an Educational Charity in 1863. For over 150 years, the Foundation has supported two voluntary aided schools - the Girls' School in Bow Road, Tower Hamlets, and the Boys' School based in Cowper Street, Islington. The original vision of our Founder was to provide an extended education for students in the community, which remains at the heart of the Foundation's purpose today.

The primary activities of the Foundation cover:

- providing services and facilities to support both schools.
- supporting the continuing education of students or former students.
- giving grants and bursaries to current or former students to enable them to continue their education or assist their future employability.

Developing and maintaining the buildings and facilities at both schools has been the substantive focus of the Foundation's work over the last decade with significant financial investment from the Foundation. With completion of the Boys' School redevelopment last year, and the creation of our first Foundation strategy, this emphasis has started to shift, focusing on our new strategic plan. The Foundation identified five core objectives for its 2024 – 2026 strategy:

1. **Enhancing our support to students:** Work with the Schools to give students access to more opportunities, funding and support.
2. **Creating long term impact:** Support the Schools to strengthen their educational outcomes for all students.
3. **Building a sustainable Foundation:** Create a robust plan to ensure the Foundation can continue to benefit the Schools and students it supports for the next 50 years.
4. **Excellence in governance:** Create exceptional leadership and performance at Governing Body and Foundation Board level.
5. **Organisation efficiency:** Establish the right people, budgets, process and office requirements to deliver the new strategy.

Public Benefit

In shaping its objectives and planning the activities, the Trustees considered the Charity Commission's guidance on public benefit. The charity provides funding for facilities and services for its two schools supporting young people in both local communities and makes available grants and support to individual students. This report focuses on how the Foundation's activities meet its public benefit commitment.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Our Mission

By leveraging our skills, funding and influence we will collaborate with our schools and partners to strengthen their education provision and outcomes, their governance, funding, and infrastructure.

ACHIEVEMENTS AND PERFORMANCE

Our plans for 2024-5 were shaped by the five strategic goals within our [new strategy](#).

1. **Enhancing our support to students:** Work with the Schools to give students access to more opportunities, funding and support.

Student Bursaries, Prizes and Awards – In 2024-5 the Foundation funded £52,000 in prizes and awards at the two Schools. Working with the Schools we have refreshed the prizes, bursaries and awards including instituting two new prizes. The new Clark-Heath Prize gifted in honour of two long serving staff who retired in the year after nearly 60 years of collective service. This award recognises a student at each School who has overcome challenges to achieve success in their education outcomes. The Clive Arding Prize created to acknowledge the immense contribution of a Foundation trustee who has given significant time and skills to the Boys' School redevelopment and now is supporting the Girls' School Sixth Form expansion in similar vein. Without his commitment and public service neither project would have been possible. The prize at each School aims to reflect that service to the School community of a current student.

Pilot Events Programme – As part of its new strategy, the Foundation has started to draw more deeply on its networks and seek to open new opportunities for students to give them access to a wider range of careers and future study options. To 31 March 2025, the programme delivered 10 events, reaching over 300 students across the two Schools with a mix of joint events, visits, insight days, external speakers and workshops. The pilot included hosting two visits to the Royal School of Needlework, sessions exploring the world of Artificial Intelligence, careers in law, money matters, working in banking and finance, as well as supporting sixth form transitions day at the Girls' School.



Image 1: Students from the Girls' School visiting the Royal School of Needlework

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Case Study 1: Pilot Events Programme - Exploring Careers in Law and Politics

Magistrates in the Community (MIC) and Emily Thornberry MP have both supported the Foundation's law and politics careers talks with the Schools. More than 40 'A' level law students explored an Adult Magistrates Courts in action with Gerald Dowler, a sitting Magistrate and the workings of a Youth Court with Avril Calder, Foundation trustee and retired Magistrate. Using interactive case studies and directly relating it to the 'A' level syllabus.

"We really enjoyed the visit from the Magistrate. We had lots of questions answered such as them not always sitting as three, they can in fact sit as two. The test they take to become a Magistrate seemed interesting as they are asked questions regarding different criminal scenarios and having to rank them in order of seriousness. We were given a task where we had to look at the online sentencing guidelines magistrates use to decide punishment. Thereafter, we were given a criminal scenario where a crime had been committed. We had to consider any aggravating and mitigating factors that would influence the outcome of sentence which is something we have learned in class and were able to put into action again. The activity was very informative, allowing us to understand what it is like to be a magistrate and how they reach conclusions." Boys' School Student.

"The girls really enjoyed the session. The 'You be the Judge' activity was very engaging, even my most reluctant speakers were getting involved in their small group discussion." Citizenship and Law Teacher at the Girls' School.

Over 60 students studying 'A' Level Law and Politics from the two Schools joined politician Rt Hon Emily Thornberry, MP for Islington South and Finsbury for a talk and highly animated Q&A session. She spoke about her journey studying law at university, becoming a barrister and her subsequent career in politics.

"It was really nice meeting Emily Thornberry; her responses and speeches gave me an insight into parliament and how her journey led to her current position. Her encouragement for young people to be an active part in politics was admirable and served as a reminder that our voice matters." Year 12 Student, Girls' School.

"It's not every day that we get to hear from someone so involved in shaping our community and policies. What really stood out to me was her emphasis on the importance of young voices in politics," Year 13 Student, Boys' School.

Image 2: Emily Thornberry speaking with sixth form students after Lecture to Key Stage 5 Politics and Law students



**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Hearn Foundation Funding Supports the Central Bacculaureate and the Boys' School

In 2023, Central Foundation Boys' School (CFBS) was accredited by the National Bacculaureate Trust (NBT). This year the Boys' School was awarded £330,000 over three years through a new grant from the Hearn Foundation. The primary aims of this funding are to:

1. Deliver co-curricular opportunities enabling all students to attend one interest/cultural and one physical co-curricular activity throughout the academic year.
2. Increase student participation in co-curricular activities to 100% student engagement.

This provides an annual grant of £100,000 supplemented, by £30,000 set-up funding, and enables a significant step up in the activities offered and the level of student engagement.

What is the Central Bacculaureate?

The NBT is a foundation inspired by the International Bacculaureate which aims to develop the academic proficiency of students while also developing the character of young people. The aim of the NBT is to support all schools to put a programme in place that ensures every single student engages in a rigorous academic curriculum, develops skills in a broad range of physical activities, engages in leadership opportunities, contributes to the school and wider community, and develops cultural capital and experience through activity in music, performance and the arts. CFBS is amongst a small number of schools with this accreditation.

Key Achievements in Year 1 - The first year of this new funding saw the set-up of the expanded programme with appointment of staff and coaches, and its launch to students in September 2024. One academic year in, and the progress has been significant:

- 23% increase in co-curricular activities offered, up from 59 to 73.
- Huge range of clubs and activities available for all interests and abilities.
- Immediate take up by Year 7 students with 86% engaging in at least one co-curricular activity. As a comparison Year 8 students, who were Year 7 the previous year in the initial year of the Central Bacculaureate, had 65% take up in the autumn term rising to 73% by the end of this academic year.
- Notable increase in students accessing co-curricular activities realised through this first year.
 - 11% increase for Year 9 students accessing activities across the year to 81%.
 - 35% increase (39% to 74%) in Year 11 students participating in at least one activity over the year.
- Launch of a curriculum produced by the London Academy of Music and Dramatic Art (LAMDA) in addition to drama lessons provided within the standard curriculum. 43 students entered for LAMDA exam in June 2025 with 100% receiving a distinction.
- Significant progress in Athletics, from a small-scale activity to becoming a CFBS sporting strength: CFBS athletes won the Islington Running League, Cross Country Competitions, English Schools Cup Round 1 in 4 categories and strong performances in the Simmonds Cup (dominated by private schools).

How the Funding is used - To facilitate this programme the Central Foundation Boys' School adjusted and expanded its staffing and leadership to create the best conditions for success for the enhanced Central Bacculaureate offer. The main funding has been invested here with ~£80,000 in staff costs realising this dramatic step up in capacity, student engagement and outcomes:

- Three staff members have taken up additional responsibilities to support the new programme.
- Additional staff capacity including teacher provision for the LAMDA programme, providing staff hosts for all the clubs, theatre technician costs and additional coach fees.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Other Highlights - New clubs launched include improv, textiles, 50 things to do before you are 15³ and coding. The sports clubs were extended to add table tennis, rowing, basketball, goalkeeping, two athletics clubs, fitness, cricket, squash, swimming, dodgeball and racquet sports. New sessions were also added to popular clubs like basketball, football and table tennis to meet demand.

Case Study 2: Performing Arts Flourish at Central Foundation Boys' School

Drama has been a highlight with the new Performing Arts space in full use as part of the co-curricular programme. With the benefit of the Hearn Foundation Grant, students from Years 8 - 10 took part in the National Theatre's *Connections* project, an initiative connecting young people across the country by performing new plays written by contemporary playwrights. Each year, ten new plays are commissioned for young people to perform, giving students across the country a chance to engage with professional-standard theatre and share their voices on major stages.

Thirteen students from the Boys' School had the opportunity to rehearse and perform an original play by Vickie Donoghue - *Fresh Air*. This powerful play explores the struggles of teenagers dealing with mental health, self-identity and the pressures of growing up. The characters face challenges like feeling misunderstood, coping with anxiety and searching for a sense of belonging. The play highlights the importance of vulnerability, friendship, and finding space to grow, making it incredibly relevant to young people today.

The students dedicated months to rehearsing every Monday and Friday, pouring energy and creativity into bringing the characters and the story to life. The process was challenging, yet deeply rewarding, as they developed not only their acting skills but also teamwork and resilience. One of the most memorable moments described by the students was meeting the playwright herself, Vickie Donoghue, who shared her insights about the play and its meaning.

Their production of *Fresh Air* was selected as one of just a handful of winning entries from hundreds of youth theatre groups across the UK to be performed at the Kiln Theatre as part of the regional phase of the *Connections* Festival, which led to their invitation to perform at the National Theatre. The boys opened this year's Festival with performing on the newly revamped Dorfman stage at the National Theatre, Southbank—playing to a sold-out audience of 450.

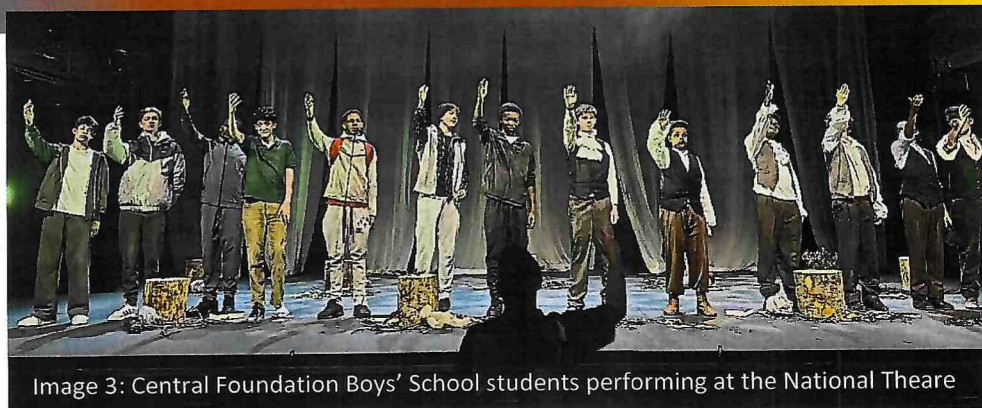


Image 3: Central Foundation Boys' School students performing at the National Theatre

³ A fun club covering skills and knowledge on a variety of areas such as spider identification, marmalade making, checking soil PH, horticulture and many more.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

2. Creating long term impact: Support the Schools to strengthen their educational outcomes for all students.

External profile – As part of its strategy the Foundation initiated a full refresh of its online presence and started to develop its profile and engagement with external audiences. A new [Foundation website](#) was launched at the end October 2024 along with a conscious presence on [LinkedIn](#).

Monitoring and evaluation – An evaluation of the pilot events programme set out to assess how well the Foundation had achieved its goals to:

- develop a programme of educational events and visits for the students at both Schools;
- enable students to explore and consider a range of post-16/post-18 study and careers opportunities;
- host at least three events with external speakers and support at least three outside events/visits;
- hear student feedback on the opportunities given and report on the programme;
- track the budget; and
- understand the value to students and real costs of embedding a future programme.

At the time of the evaluation in December 2024 the pilot had facilitated 7 events reaching over 200 students across the two schools. Student feedback for all the events was excellent, and the teaching team were also very positive about the value gained by students. In addition, the evaluation highlighted that the events had increased students' wider experiences such as socialising and increased cultural capital that they may not otherwise enjoy.

The challenge of planning, administering the events, supervising students travelling and the impact of lost curriculum time due to travel were repeated themes through the pilot. The dependence on a Foundation trustee as volunteer co-ordinator was recognised as a constraint while the appreciation of her network of contacts and sourcing of fantastic speakers and opportunities is something neither School wanted to lose.

"We learnt from this talk that AI is slowly becoming more and more common in our daily lives, with computers, projectors, phones existing and being used in our day-to-day life. It is more frequent to see people using it, providing entertainment, social connectivity, helping to learn and support young people's education as well.

The speakers embedded interactive activities which we all participated in including an AI test quiz done on the iPads and a secret 4-digit code number hidden in the slides. Exciting part was there were prizes to be won!

It was a good event where we managed to learn a lot more about AI and got to also participate and compete against year 12 boys from Central Foundation Boys' School."

Year 8 Girls' School student

While the allocation of a £4,000 grant to fund the pilot was welcomed, the evaluation demonstrated it was not sufficient to fund the greatest need - staff time. The volunteer co-ordinator and speakers all gave their time free of charge with some small travel expenses reimbursed. However, staff at both Schools tended to support the programme in addition to their core responsibilities recognising the value to students, but through the evaluation confirming the administration and co-ordination required is substantial and is not sustainable.

Feedback from both Schools on the wider challenge of creating good work experience placements and widening the insight into post-16 and post-18 opportunities highlights the area of greatest need for

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

careers related support which the pilot could not address to any significant degree but both Schools confirmed they were keen for further investment in his area. While experienced and professional staff work at both Schools, their capacity is stretched and neither School is sufficiently resourced to source and support the full range of opportunities students need. The evaluation highlighted the overhead of each School administering programmes is a shared challenge as is the fact both Schools are working in relative isolation looking at post-16 and post-18 opportunities.

The review identified a compelling case from both Schools for expanding the programme in line with our strategic aim to *work with the Schools to give students access to more opportunities, funding and support*. As a result, the Foundation has committed £90,000 over two years to co-develop a Student Opportunities programme which will offer at least one additional career-related opportunity/ intervention to each Year 7 to 13 student at each School. Working in collaboration, the Foundation and two Schools will establish a work experience and insights programme which provides a pipeline of opportunities to each School and develop and manage repeatable, annual career horizons assembly and speakers' programme.

Long term educational change - In response to our aim to support the Schools to strengthen their educational outcomes for all students, the Board came together for its annual Away Day. Set in the context of live national education policy discussion on academisation at the time, the Board explored how the Foundation could best collaborate with its Schools to ensure that each child is a powerful learner and can fulfil their individual potential. While there was a strong consensus that academisation is not a path to pursue, the Board of the Foundation has agreed it would explore opportunities for closer collaboration between the Schools and the Foundation. The new Student Opportunities Programme is the first collaboration being progressed. Working together to build an alumni community with each School and reviewing how we support their income generation and fundraising needs are also in discussion along with wider opportunities for partnership and deeper collaboration.



Image 4: Central Foundation Schools of London trustees at Board Away Day

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

3. Building a sustainable Foundation: Create a robust plan to ensure the Foundation can continue to benefit the schools and students it supports for the next 50 years.

Girls' School Sixth Form Expansion – our current flagship project is the Foundation's £8.9m investment in the expansion of the Girls' School Sixth Form. The Foundation supported the Girls' School to acquire the site at 47 Bow Road in 2013 and bring the whole School together in one site. More recently the Foundation, Girls' School Governing Body and the Head teacher have been considering the strategic ambition for developing the Girls' School and its facilities. Expanding the capacity and facilities of the sixth form was identified as the priority and after a number of options had been explored, in May 2024 the Foundation and the School entered into an agreement to expand the current sixth form provision by building an extension to the current facilities to enable more students to study and a wider curriculum to be offered.



Image 5: Girls' School Sixth Form Summer 2024

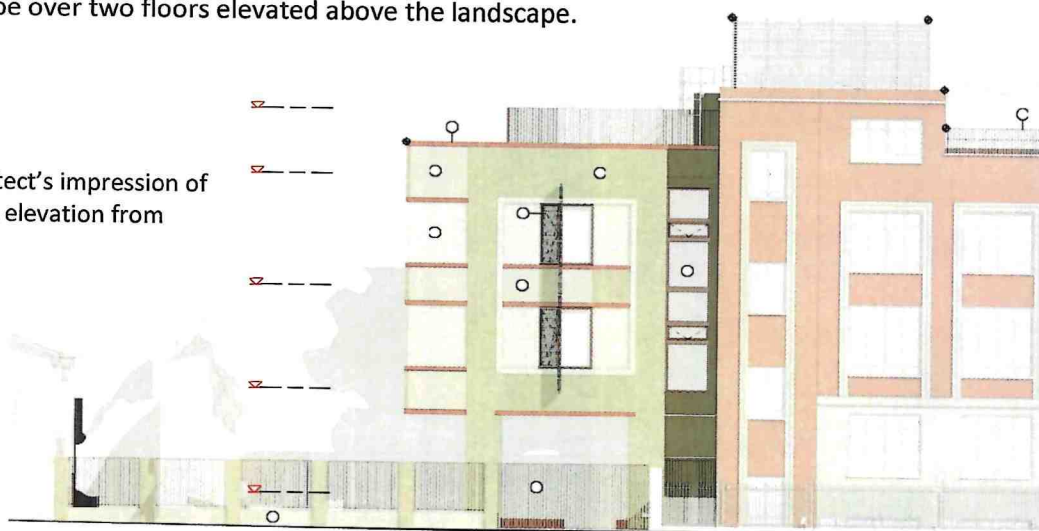


Image 6: Architect impression of new classroom

The project broke ground in March 2025 and is due to open to new students from September 2026. Overall, the project will expand the sixth form capacity by 20% enabling the School to offer 450 girls from Tower Hamlets and neighbouring boroughs access to an exceptional sixth form education. The building itself will add six classrooms, provide additional staff faculty spaces and new student facilities. The expansion will

provide the basis to enable a widening of the sixth form curriculum as well as making available more places for the most popular courses. As a central London school, it was recognised that the external social space is already limited, so it was decided not to build over the existing outside space; therefore, the extension will be over two floors elevated above the landscape.

Image 7: Architect's impression of extension with elevation from ground level



THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Girls' School Fundraising Project - Initially the plans for the Girls' School Sixth Form expansion were for a simple outside space at ground level, but a more exciting solution has emerged. The Foundation and the project architects have been working with the students on an exciting initiative to co-create an exciting outside garden space and refresh the roof terrace. In 2025-6 we are launching a fundraising programme to raise £150,000 towards these new spaces outside.

The current environment - a student view:

"It feels like a goldfish bowl so you wouldn't want to go out there"

"We'll be incredibly happy to have a new space to socialise – the current sixth form is cramped!"

We have a unique opportunity to transform the outdoor areas surrounding the new building — spaces that are currently underwhelming and underused — into places of beauty, dignity and sustainability. Until now the sixth form outside space has been a multi-use games area (MUGA), enclosed by metal fencing on all sides, including the roof. There was also a small car park and bin area. With the backdrop of a blank brick wall the space was almost 'prison-like' in its appearance. Their existing roof top outside space was also in need of a refresh. This additional project will create two redesigned garden spaces specifically for the sixth form girls. It will include redevelopment of the ground-level multi-use games area (MUGA) space and the upgrading the existing roof garden into a sustainable, solar-powered, eco-friendly haven. The design for these outside spaces, developed alongside the sixth-form expansion, were co-created with students with the aim of fostering ownership, creativity, and mental health benefits while also promoting teamwork and real-world exposure to architectural principles. Many of the students involved in the design will form the first cohort to join the newly expanded and redeveloped sixth form offer.



Images 8-11 from left:

8. Initial architect courtyard vision
9. Students working with architect to co-create design
10. A student model developing their vision for courtyard
11. Final vision for the new courtyard

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Refreshing our Investment Strategy – As the Foundation reaches the conclusion of its major capital programmes, the Board has initiated a review of how we invest its funds to ensure the Foundation can continue to support excellent educational outcomes for the students at our Schools for generations to come. This work is expected to conclude by March 2026 and establish a more streamlined structure to our funds, greater clarity and flexibility on our annual income and support our financial and strategic planning for future years.

4. **Excellence in governance:** Create exceptional leadership and performance at Governing Body and Foundation Board level.

Foundation Board development – Having completed a 2-year plan to implement the recommendations of an external Governance Review, the Board initiated an internal Board Effectiveness *Check In* in autumn 2024. This assessed the up-to-date skills and diversity profile of the Board, identifying progress in filling gaps and where future priorities might lay when new vacancies arise. The review also looked at how the Board's meeting structures (revised following the external review by NCVO) were working and considered changes to the structure in line with the Foundation's strategic plans. One new area explored was how to improve stakeholder engagement and communication, particularly engaging with the Schools' governing bodies, attending School events and other opportunities to experience student life at our Schools. With a higher than usual number of new trustees joining in the year (six) a trustee buddy scheme is being established to ensure new trustees can draw on the knowledge of longer serving trustees and hear about the Board priorities and recent strategic discussions and decisions.

Developing our role in appointing Foundation Governors – The Foundation appoints the majority (10) of the governors to each school's governing body. In 2024-5, the Foundation refreshed how it works with the chair of governors at each School to search for and appoint new governors. Drawing on an updated skills review at each School; open recruitment processes were run including local and national advertising and using LinkedIn networks. Towards the end of the year, with very specific needs arising, the Foundation funded the cost of a charity specialising in skilled trustee recruitment to find three new Foundation governors with specific skills.

5. **Organisation efficiency:** Establish the right people, budgets, process and office requirements to deliver the new strategy.

Foundation People Strategy - Following the transition programme and creation of the first Foundation strategy in 2023, a review of the longer-term staffing requirements needed to deliver the Foundation strategy was completed in 2024. A small permanent staff structure was established from 1 October 2024 initially equivalent to 1 FTE, with a permanent chief executive and finance manager (both part-time). The organisation continues to be supported by an external clerk. At the end of 2024-5, as part of year 2 and 3 strategic planning, the Board agreed enhanced staffing plans to support new, planned activities. This is expected to take the organisation to ~2.5 FTE across five employed roles by mid-2026 and create significant added value and impact to the Foundation's work with both Schools.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

FUTURE PLANS

A major new partnership is being launched in 2025-6. We are delighted that the Hearn Foundation has confirmed new grant funding to launch a Hearn Performing Arts School. This new provision will be hosted in the Hearn Centre at the Boys' School, formerly the Creative Arts Centre. Recognising the cost and difficulties of accessing educational provision arts which can face schools, the generous support of the Hearn Foundation allows for that high quality and extensive arts provision to be available for all our students. The Hearn Foundation and Central Foundation Schools of London share a common vision of the power of arts to transform lives – both for all that engagement with the arts brings and in developing self-confidence, teamwork, empathy, creativity and problem solving. We are pleased that this will extend to students at both Schools and, once established, to other young people in the local community.



Image 12: New Hearn Centre at the Boys' School

Following the significant progress in the first year of the Foundation's first formal strategy, the Board has agreed its key plans for years 2 and 3.

We will:

- Progress the building of **Girls' School Sixth Form Expansion** ready to open in September 2026.
- Launch a new **Student Opportunities Programme** to establish a work experience and insights programme which provides a pipeline of opportunities to each School and develop and a repeatable, annual career horizons assembly and speakers' programme.
- Raise funds to create inspiring **new outside spaces** for the Girls' School sixth form and lay the amazing paved 'Persian Rug' courtyard co-designed with students.
- Continue to support a programme of **student bursaries and awards** at each School.
- Complete a review of our investments to meet the **future financial needs** of the Foundation and its support to our two Schools.

We are also readying the Foundation for the future with the appointment of a new chief executive and considering carefully the future role and impact of the Foundation. This will be a key focus in 2026 as the Foundation develops its new strategy addressing how best support students and works most effectively with both Schools.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 to 32 and comply with the charity's Scheme, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS102).

Prior year adjustments have been made following a review of the land and buildings endowment fund and the value of the corresponding tangible fixed assets and to designate for the Girls' School the use of unrestricted income generated by the Girls' School endowment fund investment portfolio.

The allocation of those assets between funds has been restated, with the overall impact on the 31 March 2024 figures being to reduce the endowment funds by £980,000, to reduce the restricted funds by £260,000, and to increase the unrestricted funds by £1,240,000. These adjustments have no impact on the total assets of the charity. Further information is provided in note 16.

Investment by the Foundation in an expansion of the Girls' School Sixth Form provision has drawn down £1,398,000 from the Girls' School Endowment Fund for work carried out during the year.

The Foundation's core portfolio of investments belonging to endowment funds generating unrestricted income, and unrestricted funds totalled £29,458,000 at 31 March 2025. Excepting the endowed funds held in the Girls School Fund, these investments generate our core operating income. The Foundation also holds investments totalling £1,673,000 in restricted funds and in endowment funds from which the income is restricted. The Foundation's investments performed well for the first three quarters but were then affected by market turmoil in the wake of tariff announcements and we ended the year with only a small net gain on investments across all portfolios of £170,000 (2024 £1,810,000).

Grant income of £851,000 (2024 £1,116,000) was received from the Dulwich Foundation which continues to support our two Schools. As in prior years, the Foundation passed this money onto the two Schools in proportion to their pupil numbers. In the first year of the Hearn Foundation funding towards the Central Baccalaureate extra-curricular programme, a grant of £97,000 was received by the Foundation, for distribution to the Boys' School for the agreed purposes.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Investment Policy

Through its investment policy the Trustees aim to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The Board sets the charity's investment policy, following recommendations from the Investment and Finance Committees, and engages professional investment managers to undertake the management process and make day-to-day decisions. The Investment Committee monitors their performance at least quarterly and meets with the Foundation's investment managers at least annually.

During the financial year, the Foundation's investments were managed by three specialist investment managers, Rathbones, JM Finn and Meridiem. The trustees ask its investment managers to demonstrate that they monitor Environmental, Social and Governance (ESG) factors and actively engage to promote improved management of ESG risks.

Each Fund Manager brief is framed to meet the differing financial needs of the Foundation. Annual expenditure and short-term income needs are met through dividend income, managed concurrently with protection against inflation to maintain the core value of our investments. Approximately a third of the investments are managed for growth, to provide a means for funding the longer-term needs and opportunities of the Foundation. The performance of the Investment Managers is monitored against suitable benchmarks. The Foundation's monthly unrestricted cashflow requirements are met through dividend income received and cash held with its bank. In addition, the Foundation's policy sets out any specific portfolio requirements, particularly relating to the and Girls' School ringfenced funding and any restricted funds.

Details of the value of and income from the Foundation's investments are disclosed in notes 11 and 14 to the accounts.

Funds of the Foundation and Reserves Policy

The net assets of the Foundation are divided between Endowment Funds, Restricted Funds, Designated and Unrestricted Funds.

- Permanent Endowment Fund: totals £125,676,000 (2024 £127,524,000 (*restated*)) and represents donations of funds, as well as funds raised from the sale of land and buildings which were subject to a condition requiring their retention as an endowment. Income arising from these funds is transferred to the general fund (or appropriate restricted fund) and supports the day-to-day purposes and grant making of the Foundation.
- Restricted Funds: are held and spent as permitted for grants and donations received for defined purposes.
- Designated Funds: the Trustees have designated funds over and above its general reserves to ensure the funds for the remaining three-year commitment to support the Girls' School PFI arrangement and improvements to the existing Girls' School Sixth Form are protected.
- General Operational Fund: this fund is credited with all the income arising, excepting income relating to restricted and designated funds. Income from these funds is used to support the day-to-day activities of the Foundation.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees consider it prudent to have a blend of funds invested for growth, and medium-term investments which create a continuous income for the Foundation. Additionally, in setting its Reserves Policy, the Trustees recognise its role in providing support to its students and its Schools over the long term. After 12 years of significant capital investment in School premises, the Trustees are considering the requirement to rebuild its funds with a view to future provision for capital expenditure in refreshing/maintaining its School estates. During the year the Trustees utilised some of the accumulated reserves to strategically invest in the charity's work to extend its capacity and impact. The unrestricted and undesignated funds available to the Foundation at the end of the year is £9,675,000 (2024 £9,380,000 (*restated*)). A further review of the General Funds and Reserves is planned once the Girls' School Sixth Form expansion project and final payments for the Boys' School are complete, and the next strategic plan is established in 2026.

Fundraising

The Foundation supports the Schools by facilitating the receipt of grants, including the annual grant from the Dulwich Estate and a grant programme supported by the Hearn Foundation.

From time to time the Foundation has received legacies from former students for the benefit of one or both Schools and will continue to welcome these to enhance the support offered to students and facilities at both Schools.

Historically the Charity has not conducted direct fundraising activity, drawing primarily on income from its investments. However, following the significant capital investment in the buildings and facilities at both Schools, the funding the Foundation has available is reduced so it is reviewing how it can support both Schools to access new sources of funds to meet future needs. In 2024-5 the Foundation started planning its first public fundraising initiative which will support the Girls' School to transform the outside spaces of the Sixth Form, complementing the Sixth Form Expansion project which the Foundation is fully funding. Working with an external fundraising specialist and drawing on the experience of members of the Foundation Fundraising Committee, this pilot will explore the potential of the Foundation in raising funds to enhance the offer the overall education experience of students and establish strong structures and practices for the future. The first public campaign went live in the last two weeks of the financial year.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is a Charity (charity number 312695) founded by a Trust Deed in February 1891 which has been amended over subsequent years and now operates under the 2010 Scheme of the Charity Commissioners, as amended by the Scheme dated 28 June 2018. An amendment in June 2024 has adjusted the required Board meetings from 6 to 4 in line with the new quarterly meeting cycle and establishment of an executive staff team.

The sole corporate trustee, called CFSL Trustee Limited, is constituted as a non-charitable company limited by guarantee (company number 11294870). The directors of the corporate trustee act as the Board of Trustees of the charity and are referred to as such throughout this report.

Our Charitable Objects

The object of the Foundation is *to advance the education (including the social and physical education) of persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools – The Central Foundation Boys' School in the London Borough of Islington and the Central Foundation Girls' School in Bow, London.*

Trustees

The Foundation's Board of Trustees comprises up to 18 individuals - 8 appointed by nominating bodies⁴ and 10 by the Board as co-opted trustees. None of the trustees receive remuneration or other benefit from their work with the Foundation other than reimbursement of out-of-pocket expenses.

A practice of openly advertising vacancies is in place. An open recruitment process to fill four vacancies ran in Spring/Summer 2024. A review of the existing and required skills, experience, background and diversity profile the Board was completed and set against the 3-year strategic goals to inform the recruitment process. Led by the Foundation's People & Nominations Committee and chief executive the aim was to identify new trustees with key skills and experience, particularly in the education sector. The process included filling two nominative vacancies with the University of London where a collaborative process included direct engagement with staff at one of the member universities who were specifically interested in trusteeship, as well as including the vacancies in the wider, open recruitment process. The number and quality of applications was high, and a competitive interview and selection process identified four new trustees.

Structure and Relationships with Schools

Each School has its own Governing Body to which the Foundation appoints the majority of Governors (ten). Three Governors from each School serve as trustees on the Foundation Board. In recent years, the Foundation has contributed to the costs of a clerk to support each Board of Governors.

⁴ University of London (2), London Chamber of Commerce (1), City of London Corporation (1), Wardmote of the Ward of Bishopsgate (1), Bank of England (1), Dulwich Estate (1), Vestry of the Parish of St Botolph's Bishopsgate (1).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

Organisation Management

The Board of Trustees has oversight of the finances, staff, properties, and investments of the Foundation.

The trustees appoint a chief executive to manage the day-to-day operations of the charity. To facilitate effective operations, the chief executive has delegated authority within a documented framework for operations including finance, employment, and strategic activities.

The Board meets quarterly and has established three formal sub committees - Finance & Audit, Investment and People & Nominations - along with two working groups: a new Education Outcomes Working Group and a Fundraising & External Communications Committee which includes members from both Schools. The Foundation chief executive and one trustee also sit on the Project Board for the Girls' School Sixth Form Expansion Project.

Risk Management

The trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise in each of these areas. In the opinion of the trustees, the Foundation has established the resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

The Foundation's principal assets comprise land, buildings and listed investments, the value of which is dependent on movements in the UK and overseas financial markets. The investments are managed by reputable professional investment managers who adhere to a policy agreed by the trustees and the Investment Committee. Regular meetings are held with the investment managers and their performance and that of the portfolio are monitored by the Foundation.

Principal Risks and Uncertainties

The trustees have an annual review process for assessing and managing risk. This comprises:

- An annual review by the Finance and Audit Committee of the principal risks and uncertainties facing the charity.
- Assignment of each risk to one of the Foundation's Committees for tracking and addressing through the year, with key risks being retained by the Board
- Policies, procedures and systems in place to manage risk, with actions agreed to mitigate risks identified as high or medium.

The principal risks addressed over the last 12 months include:

- Financial market volatility and the impact on the Foundation's endowments and investments.
- Long term financial sustainability of the Foundation following major capital investment.
- Future changes in national education policy and the role of the Foundation.
- Securing the Foundation's long-term infrastructure and resources (people, financial and process) in line with the new strategy.

Any significant changes in risk level, or newly identified risks are reported quarterly through the committee cycle to the Board.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

REFERENCE AND ADMINISTRATIVE DETAILS

Patron The Lord Mayor of the City of London

Trustees CFSL Trustee Limited (company registration number 11294870) is the sole corporate trustee of the charity.

The Directors of the corporate trustee during the year were:

Clive Arding	Resigned 31 December 2024
Reverend David Armstrong	Resigned 30 May 2025
Dami Ayeko	
Stephen Brown	Chair
Avril Calder	
Thomas Doherty	Appointed 17 October 2024
Simon Dodds	
Hilary Evenett	
Andreas Gaitzsch	Appointed 17 October 2024
Barrington Gooden	
Lionel Green	Appointed 26 March 2025
Madush Gupta	
Dilnaz Khambata	
Ewelina Lacey	Appointed 17 October 2024
Nicolas Mattis	Appointed 6 June 2024
John Pike	Appointed 17 October 2024
Amandeep Rehlon	
Quinton Soper	
Mike Yershon	

**Chief Executive and
Company Secretary** Sarah Gosling

Registered charity number 312695

Company number 11294870

Address Central Foundation Trustees' Office
Central Foundation Boys' School
Cowper Street
London EC2A 4SH

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Auditors	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL	Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Bankers	Barclays Bank PLC Level 27 1 Churchill Place London E14 5HP		Navera Investment Management Limited Riverside House 2a Southwark Bridge Road London SE1 9HA
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE		J M Finn & Co 25 Copthall Avenue London EC2R 7AH

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors of the corporate trustee ('the Trustees') are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the charity trustees to prepare accounts 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, including the income and expenditure, of the charity for that period. In preparing these accounts, 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 accounts;
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts & Reports) Regulations 2008, and the provisions of the constitution. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the Board on 5 November 2025

and signed on its behalf by:



Stephen Brown
Trustee

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Opinion

We have audited the accounts of The Central Foundation Schools of London (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2025 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts, or our knowledge obtained in the course of 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 accounts 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts;
or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the directors of the corporate trustee ('the trustees') are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

Auditor's responsibilities for the audit of the accounts

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 accounts 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 accounts.

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:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to relevant financial reporting standards and the Charities Act 2011; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and representatives from those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; and
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon.

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**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of trustee meetings; and
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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.



Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

20 November 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
INCOME						
Grants and donations	2					
Grants		-	948	-	948	1,116
Legacy		-	-	-	-	28
Donations		-	1	-	1	-
Investment income						
Bank and other interest		315	13	-	328	170
Dividend income		417	46	-	463	529
Total income		<u>732</u>	<u>1,008</u>	<u>-</u>	<u>1,740</u>	<u>1,843</u>
EXPENDITURE						
Cost of raising funds	3	102	24	98	224	201
Charitable activities						
Support to Schools	4, 5	740	905	1,797	3,442	3,508
Total expenditure		<u>842</u>	<u>929</u>	<u>1,895</u>	<u>3,666</u>	<u>3,709</u>
Net income (expenditure) before gains on investments		(110)	79	(1,895)	(1,927)	(1,866)
Net surplus on sale of investment property		-	-	-	-	91
Net gains/(losses) on investments	11	148	(25)	47	170	1,810
Net income and net movement in funds before transfers		<u>38</u>	<u>54</u>	<u>(1,848)</u>	<u>(1,756)</u>	<u>35</u>
Transfers between funds	14	-	-	-	-	-
Net movement in funds		<u>38</u>	<u>54</u>	<u>(1,848)</u>	<u>(1,756)</u>	<u>35</u>
Balances brought forward at 1 April 2024 (<i>Restated</i>)	14	<u>11,964</u>	<u>877</u>	<u>127,524</u>	<u>140,365</u>	<u>140,330</u>
Balances carried forward at 31 March 2025	14	<u>12,002</u>	<u>931</u>	<u>125,676</u>	<u>138,609</u>	<u>140,365</u>

The notes on pages 30 to 46 form part of these accounts.
Detailed comparative information is provided in note 15.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
BALANCE SHEET
YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2025	Total Funds 2024 <i>(Restated)</i>
		£'000	£'000	£'000	£'000	£'000
FIXED ASSETS						
Tangible assets	9	1	-	107,124	107,125	107,542
Investments	11	11,593	719	18,819	31,131	32,916
Total Fixed Assets		<u>11,594</u>	<u>719</u>	<u>125,943</u>	138,256	<u>140,458</u>
CURRENT ASSETS						
Debtors	12	89	-	-	89	28
Short term deposits		-	-	-	-	300
Cash at bank and in hand		<u>465</u>	<u>236</u>	<u>403</u>	1,104	<u>617</u>
Total Current Assets		554	236	403	1,193	945
CURRENT LIABILITIES						
Creditors	13	<u>(146)</u>	<u>(24)</u>	<u>(670)</u>	(840)	<u>(1,038)</u>
NET CURRENT ASSETS		<u>408</u>	<u>212</u>	<u>(267)</u>	353	<u>(93)</u>
TOTAL NET ASSETS		<u>12,002</u>	<u>931</u>	<u>125,676</u>	138,609	<u>140,365</u>
<i>THE FUNDS OF THE CHARITY:</i>						
PERMANENT ENDOWMENT FUNDS	14	-	-	125,676	125,676	127,524
RESTRICTED FUNDS	14	-	931	-	931	877
UNRESTRICTED FUNDS	14					
General operational fund		9,675	-	-	9,675	9,380
Designated funds		<u>2,327</u>	<u>-</u>	<u>-</u>	2,327	<u>2,584</u>
TOTAL FUNDS		<u>12,002</u>	<u>931</u>	<u>125,676</u>	138,609	<u>140,365</u>

Approved by the Board of Trustees on 5 November 2025

and signed on its behalf by:



Stephen Brown
Trustee

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,389)	(1,978)
Cash flows from investing activities:			
Dividends and interest from investments		792	699
Transfer from (to) short term deposits		300	(300)
Proceeds from the disposal of investments		10,084	16,004
Purchase of investments		(6,124)	(17,684)
Purchase of fixed assets		(1,170)	(2,594)
Net cash generated by (used in) investing activities		<u>3,881</u>	<u>(3,875)</u>
Change in cash and cash equivalents in the year		2,492	(5,853)
Cash and cash equivalents at 1 April 2024	B	1,310	7,163
Cash and cash equivalents at 31 March 2025	B	<u>3,802</u>	<u>1,310</u>

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2025:

A. Reconciliation of net movement in funds to net cash used in operating activities

		2025 £'000	2024 £'000
Net movement in funds (as per the statement of financial activities)		(1,756)	35
Adjustments for:			
Depreciation charge	9	1,587	1,272
Surplus on disposal of investment property		-	(91)
(Gain) loss on investments		(170)	(1,810)
Dividends and interest from investments		(791)	(699)
(Increase) decrease in debtors		(61)	543
(Decrease) increase in creditors		(198)	(1,228)
Net cash used in operating activities		<u>(1,389)</u>	<u>(1,978)</u>

B. Analysis of cash and cash equivalents

		2025 £'000	2024 £'000
Cash at bank and in hand		1,104	617
Cash held by investment managers	11	2,698	693
Total cash and cash equivalents		<u>3,802</u>	<u>1,310</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2025.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant accounting policies below or notes to the accounts. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and 2022.

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

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include estimating the useful economic life of tangible fixed assets.

c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2026, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

d) Income recognition

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

d) Income recognition (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.

Gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Income from interest bearing investments is accrued and recognised in the period to which it relates.

Interest on cash at bank and 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.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. The classification between activities is as follows:

- Cost of raising funds comprises investment management fees incurred in generating investment income and capital appreciation as well as direct fundraising costs and an allocation of core staff costs.
- Expenditure on charitable activities includes all costs associated with the provision of support to the Schools, and where appropriate individual students and former students, and includes both the direct costs and governance costs relating to these activities.

Grants payable are included in the financial statements once a constructive or legal obligation exists.

f) Tangible Fixed Assets and Depreciation

Functional freehold land and buildings were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation was adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation was deemed to be cost. Subsequent additions costing more than £1,000 are included at cost.

Freehold buildings are depreciated at a rate of 2% per annum on a straight-line basis. No depreciation is charged in respect of freehold land. Office equipment, fixtures, and fittings costing more than £1,000 are included at cost and depreciated at a rate of 25% per annum on a straight-line basis.

The Foundation is responsible for contributing towards the upkeep of the original buildings at the Boys' School and Girls' School to maintain them in a fit and useful condition, and such costs are written off as incurred.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

g) Investments

Listed investments 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their purchase value. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their opening carrying value at that date or their purchase value if acquired subsequent to the first day of the financial year. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They are discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition and may be held either at bank or with investment managers. Deposits held for more than three months but less than one year are disclosed as short-term deposits.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They are discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

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

l) Pensions

The Foundation makes contributions to employees' personal pension plans. Contributions are charged to the SOFA when payable.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2025	<i>Total funds 2024</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Grants					
The Dulwich Estate	-	851	-	851	1,116
The Hearn Foundation	-	97	-	97	-
Legacy	-	-	-	-	28
Donations	-	1	-	1	-
Total	-	949	-	949	1,144

	<i>Unrestricted Funds (Restated)</i>	<i>Restricted Funds (Restated)</i>	<i>Endowment Funds (Restated)</i>	<i>Total Funds 2024</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>The Dulwich Estate</i>	-	1,116	-	1,116
<i>Legacy</i>	-	28	-	28
Total	-	1,144	-	1,144

3. COST OF RAISING FUNDS

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2025	<i>Total funds 2024</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Investment management fees	78	24	98	200	179
Investment property costs	-	-	-	-	4
Fundraising direct costs	8	-	-	8	-
Allocated staff costs	16	-	-	16	18
Total	102	24	98	224	201

	<i>Unrestricted Funds (Restated)</i>	<i>Restricted Funds (Restated)</i>	<i>Endowment Funds (Restated)</i>	<i>Total Funds 2024</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Investment management fees</i>	67	7	109	183
<i>Investment property costs</i>	-	-	4	4
<i>Allocated staff costs</i>	14	-	-	14
Total	81	7	113	201

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

4. CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2025 £'000	<i>Total funds 2024 £'000</i>
Support to Schools (note 5)	660	905	211	1,776	2,155
Depreciation charge (note 9)	1	-	1,586	1,587	1,272
Governance costs (note 6)	79	-	-	79	81
Total	740	905	1,797	3,442	3,508

	<i>Unrestricted Funds (Restated) £'000</i>	<i>Restricted Funds (Restated) £'000</i>	<i>Endowment Funds (Restated) £'000</i>	<i>Total Funds 2024 £'000</i>
<i>Support to Schools (note 5)</i>	715	861	579	2,155
<i>Depreciation charge (note 9)</i>	-	-	1,272	1,272
<i>Governance costs (note 6)</i>	81	-	-	81
<i>Total</i>	796	861	1,851	3,508

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

5. SUPPORT TO SCHOOLS

	2025			2024		
	Boys' School £'000	Girls' School £'000	Total £'000	Boys' School £'000	Girls' School £'000	Total £'000
Grants to Schools						
Contribution to Schools' staff costs	25	16	41	50	37	87
Direct grants	367	486	853	383	472	855
Girls' School PFI payment	-	480	480	-	480	480
Total	392	982	1,374	433	989	1,422
School Premises Costs	19	231	250	34	577	611
Bursaries and Prizes	25	27	52	19	27	46
Direct Support to Schools	436	1,240	1,676	486	1,593	2,079
Allocated Support costs						
Staff costs			72			43
Printing, stationery, post, telephone			2			5
IT costs			6			9
Insurance			4			5
Legal, professional and consultancy			14			-
Transition costs/sundries			2			14
Total			100			76
Total Support to Schools			1,776			2,155

6. GOVERNANCE COSTS

	2025 £'000	2024 £'000
Auditor's remuneration for audit	14	14
Auditor's remuneration for non-audit services	1	-
Trustee indemnity insurance	1	3
Legal, professional and consultancy	40	18
Trustee meetings	5	5
Staff costs	18	41
Total Governance Costs	79	81

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

7. TOTAL STAFF COSTS – INCLUDED IN NOTES 5 & 6

	2025	2024
	£'000	£'000
Salaries	80	104
Social security costs	3	10
Pension costs	7	6
	90	120

The average number of employees in the year was 2 (2024 - 3), none of whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000.

8. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The trustees consider that they and the chief executive comprise the key management personnel of the Foundation in charge of directing and controlling, running, and operating the Foundation on a day-to-day basis. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £64,000 (2024: £63,000). No trustees received any remuneration during either the current or preceding financial year. Travel expenses of £172 (2024: £nil), incurred in attending meetings for the Foundation, were paid for one trustee.

9. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £'000	Freehold Buildings £'000	Freehold Land £'000	Assets under construction £'000	2025 Total £'000
Cost or valuation					
As at 1 April 2024	-	115,303	-	-	115,303
Additions	2		-	1,168	1,170
Transfers	-	(35,999)	35,999	-	-
Disposals	-	-	-	-	-
As at 31 March 2025	2	79,304	35,999	1,168	116,473
Depreciation					
As at 1 April 2024	-	7,761	-	-	7,761
Charge for year	1	1,586	-	-	1,587
Disposals	-	-	-	-	-
As at 31 March 2025	1	9,347	-	-	9,348
Net book value					
As at 31 March 2025	1	69,957	35,999	1,168	107,125
As at 31 March 2024	-	107,542	-	-	107,542

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

9. TANGIBLE FIXED ASSETS (CONTINUED)

Functional freehold land and buildings were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation was adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation was treated as deemed cost. Freehold land and buildings were previously disclosed together as 'freehold property'. In this year's note the £35,999,000 cost of freehold land, as determined in the 31 March 2016 revaluation, is shown separately from freehold buildings.

10. CAPITAL COMMITMENTS

At 31 March 2025, the Foundation had contracts for future capital expenditure on freehold buildings at the Girls' School for £5,522,000 (2024: £nil). These are not provided in the financial statements.

11. INVESTMENTS AT MARKET VALUE

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total £'000	<i>2024 Total £'000</i>
Listed Investments	16,925	10,798	710	28,433	32,223
Cash on Dealing Accounts	1,894	795	9	2,698	693
	<u>18,819</u>	<u>11,593</u>	<u>719</u>	<u>31,131</u>	<u>32,916</u>

SUMMARY OF LISTED INVESTMENTS

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2025 Total £'000
As at 1 April 2024 (<i>Restated</i>)	20,177	11,301	745	32,223
Additions	4,002	1,978	144	6,124
Disposals	(7,266)	(2,664)	(154)	(10,084)
Transfers between funds	(35)	35	-	-
Realised and unrealised gains/(losses)	47	148	(25)	170
As at 31 March 2025	<u>16,925</u>	<u>10,798</u>	<u>710</u>	<u>28,433</u>

COST OF LISTED INVESTMENTS

31 March 2025	<u>14,792</u>	<u>9,372</u>	<u>561</u>	<u>24,725</u>
<i>31 March 2024 (Restated)</i>	<u>18,576</u>	<u>9,334</u>	<u>553</u>	<u>28,463</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

12. DEBTORS

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Prepayments	6	<i>3</i>
Accrued income	78	<i>25</i>
Other debtors	5	<i>-</i>
	89	<i>28</i>

13. CREDITORS

	2025	<i>2024</i>
	£'000	<i>£'000</i>
Trade creditors	401	<i>400</i>
Other creditors	4	<i>30</i>
Accruals	435	<i>608</i>
	840	<i>1,038</i>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

14. ANALYSIS OF CHARITABLE FUNDS

	<i>At 1 April 2024 (Restated)</i>	Income	Resources expended	Gains/ (losses) on investments	Transfers between funds	At 31 March 2025
	<i>£'000</i>	£'000	£'000	£'000	£'000	£'000
Permanent						
Endowments						
Dulwich Estate	8,478	-	(46)	(157)	-	8,275
Newman/Buckman/ Bursaries & Prizes	973	-	(5)	(15)	-	953
Girls' School Fund	7,275	-	(253)	151	(1,168)	6,005
General	2,874	-	(21)	77	-	2,930
Property proceeds	382	-	16	(9)	-	389
Land and buildings	107,542	-	(1,586)	-	1,168	107,124
Total Endowments	<u>127,524</u>	<u>-</u>	<u>(1,895)</u>	<u>47</u>	<u>-</u>	<u>125,676</u>
Restricted Funds						
Newman/Buckman/ Bursaries & Prizes	67	29	(52)	-	-	44
Bendy I & II	810	29	(24)	(25)	-	790
Dulwich Estate Grant	-	852	(853)	-	-	(1)
Hearn Foundation Grant	-	97	-	-	-	97
Girls' School Courtyard	-	1	-	-	-	1
Total Restricted	<u>877</u>	<u>1,008</u>	<u>(929)</u>	<u>(25)</u>	<u>-</u>	<u>931</u>
General Operational Fund	9,380	522	(362)	135	-	9,675
Designated Funds						
Girls' School PFI	1,920	-	(480)	-	-	1,440
Girls' School Sixth Form	664	210	-	13	-	887
Total Unrestricted	<u>11,964</u>	<u>732</u>	<u>(842)</u>	<u>148</u>	<u>-</u>	<u>12,002</u>
Total Funds	<u>140,365</u>	<u>1,740</u>	<u>(3,666)</u>	<u>170</u>	<u>-</u>	<u>138,609</u>

Represented by:

	Unrestricted Funds	Restricted funds	Endowment funds	Total 2025	<i>Total 2024</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Tangible fixed assets	1	-	107,124	107,125	107,542
Investments	11,593	719	18,819	31,131	32,916
Net current assets	408	212	(267)	353	(93)
Total	<u>12,002</u>	<u>931</u>	<u>125,676</u>	<u>138,609</u>	<u>140,365</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

14. ANALYSIS OF CHARITABLE FUNDS (CONTINUED)

	<i>At 1 April 2023 (Restated) £'000</i>	<i>Income (Restated) £'000</i>	<i>Resources expended (Restated) £'000</i>	<i>Gains/ (losses) on investments (Restated) £'000</i>	<i>Transfers between funds (Restated) £'000</i>	<i>At 31 March 2024 (Restated) £'000</i>
Permanent						
Endowments						
Dulwich Estate	8,207	-	(38)	309	-	8,478
Newman/Buckman/ Bursaries & Prizes	946	-	(5)	32	-	973
Girls' School Fund	7,982	-	(613)	(94)	-	7,275
General	2,361	-	(35)	548	-	2,874
Property proceeds	2,627	-	(1)	22	(2,266)	382
Land and buildings	106,220	-	(1,272)	-	2,594	107,542
Total Endowments	<u>128,343</u>	<u>-</u>	<u>(1,964)</u>	<u>817</u>	<u>328</u>	<u>127,524</u>
Restricted Funds						
Newman/Buckman/ Bursaries & Prizes	80	29	(42)	-	-	67
Bendy I & II	736	24	(7)	57	-	810
Dulwich Estate Grant	(297)	1,116	(819)	-	-	-
Reginald Gray Portfolio	-	28	-	-	(28)	-
Roy Bard Foundation	300	-	-	-	(300)	-
Total Restricted	<u>819</u>	<u>1,197</u>	<u>(868)</u>	<u>57</u>	<u>(328)</u>	<u>877</u>
General Operational Fund	9,220	444	(397)	1,027	(914)	9,380
Designated Funds						
Girls' School PFI	1,486	-	(480)	-	914	1,920
Girls' School Sixth Form	462	202	-	-	-	664
Total Unrestricted	<u>11,168</u>	<u>646</u>	<u>(877)</u>	<u>1,027</u>	<u>-</u>	<u>11,964</u>
Total Funds	<u>140,330</u>	<u>1,843</u>	<u>(3,709)</u>	<u>1,901</u>	<u>-</u>	<u>140,365</u>

Represented by:

	Unrestricted Funds (Restated) £'000	Restricted Funds (Restated) £'000	Endowment Funds (Restated) £'000	Total 2024 £'000	Total 2023 £'000
Tangible fixed assets	-	-	107,542	107,542	106,220
Investments	11,715	747	20,454	32,916	29,600
Net current assets	249	130	(472)	(93)	4,510
Total	<u>11,964</u>	<u>877</u>	<u>127,524</u>	<u>140,365</u>	<u>140,330</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

ENDOWMENT FUNDS

The **Dulwich Estate** permanent endowment was created by capital distributions from the Dulwich Estate totalling £5,705,600 received in 1996, 2000, 2012, 2013 and 2014. The income can be used for the general purpose of the Foundation. In 2018 £1m was transferred from here to the Bursaries and Prizes Endowment Fund.

Bursaries and Prizes

The separate prizes and grants funds were merged with the Foundation under S74 of the Charities Act 1993 in 1996. The income and any accumulation of income is to be applied in promoting the education of the pupils attending the Boys' and Girls' Schools.

A specific **Bursaries and Prizes Fund** was created from the Dulwich Estate Endowment as at 1 April 2018. The income from these funds is restricted, to be distributed to pupils or former pupils of the two beneficiary Schools as bursaries and prizes.

The **Newman Trust** was established in 1998 from a transfer of funds from The Bishopsgate Foundation. The income from the fund is restricted for the provision of prizes and to help and support needy pupils.

The **Buckman Fund** was donated by Mrs Irene Buckman, a former pupil of the Girls' School and a former governor and trustee, who donated £16,667 in the year ended 31 March 2005, the income from which is restricted to be used for girls who go on to higher education.

The **Girls' School Fund** was created in 2021, and in 2023 the Charity Commission granted a s105 Order for the release of funds for the School's sixth form expansion project. The Trustees resolved to set aside the restricted income from this Fund in the Girls' School Designated Fund in order to make improvements to the fabric and furnishings of the existing sixth form block.

The **Property Proceeds Fund** represents the remainder of the net proceeds from the sale of land, which the Charity Commission gave permission to use for the Boys' School Project, and of which all but the deferred expenditure for the project has now been disbursed.

The **Land and Buildings Fund** holds the functional property used by the two Schools at net book value, as well as the cost of any assets under construction.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

RESTRICTED FUNDS

The **Newman Trust, Mrs Irene Buckman and Bursaries and Prizes fund** comprise of income from the endowments described above and expenditure on beneficiaries in accordance with the restrictions.

The **Bendy Fund** was created in November 1999 by a legacy from a former pupil of the Central Foundation Boys' School, Mr Wilfred Bendy, and Mrs Bendy. A Trustees' Resolution under Section 275 of the Charities Act 2011 dated 18 June 2012 amended the purposes of the legacy to read:

To advance education in engineering, science, technology and mathematics by:

- 1) the provision of grants, bursaries, scholarships, prizes, financial assistance and provisions of equipment to students at the Central Foundation Boys' School (the "School") and to persons who have been students at the School (in relation to the latter, in order to assist them to continue their education at University or other place of learning or to undertake training with a preference for those who go on to study or undertake training in engineering or related subjects);*
- 2) the provision of facilities, equipment and services at the School;*
- 3) the establishment and provision for the benefit of students at the School or after School, or other out of hours clubs, courses and extra-curricular activities: and*
- 4) the provision and facilitation for the benefit of students at the School of careers advice, work experience, mentoring and related activities with the aim of assisting and encouraging students to undertake further education or training in engineering, science, technology and mathematics.*

The **Dulwich Estate Grant** is made annually by the Dulwich Estate for the benefit of the two beneficiary Schools. It is shared between the Schools in proportion to pupil numbers.

The **Hearn Foundation Grant** was made in 2024 by the Hearn Foundation to provide additional funding for the Boys' School Central Baccalaureate extra-curricular programme. The Grant will run for three years.

The **Girls' School Courtyard Fund** contains fundraising income received for the purpose of refurbishing the outdoor space belonging to the Girls' School Sixth Form.

UNRESTRICTED FUNDS

The **General Operational Fund** represents the free funds of the Foundation which are not designated for particular purposes.

There are two **Designated Funds**. One is reserves set aside by the trustees to cover the present value of the Foundation's commitment to the **Girls' School PFI** contract. The other is the income generated from the Girls' School endowment fund, which has been set aside for the School to make improvements to the fabric and furnishings of the **existing Girls' School sixth form block**. Some of this has been invested until needed and to generate higher returns than holding cash.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

15. COMPARATIVE INFORMATION

Analysis of income and expenditure in the year ended 31 March 2024 between unrestricted, restricted and endowment funds:

	<i>Unrestricted Funds (Restated) £'000</i>	<i>Restricted Funds (Restated) £'000</i>	<i>Endowment Funds (Restated) £'000</i>	<i>Total Funds 2024 £'000</i>
INCOME				
<i>Legacies</i>	-	28	-	28
<i>Dulwich Estate</i>	-	1,116	-	1,116
Investment income				
<i>Bank and other interest</i>	163	7	-	170
<i>Dividend income</i>	483	46	-	529
Total income	<u>646</u>	<u>1,197</u>	<u>-</u>	<u>1,843</u>
EXPENDITURE				
Cost of raising funds	81	7	113	201
Charitable activities				
<i>Support to Schools</i>	796	861	1,851	3,508
Total expenditure	<u>877</u>	<u>868</u>	<u>1,964</u>	<u>3,709</u>
Net income (expenditure) before gains on investments	(231)	329	(1,964)	(1,866)
<i>Net surplus on sale of investment property</i>	-	-	91	91
<i>Net gains on investments</i>	1,027	57	726	1,810
Net income (expenditure) and net movement in funds before transfers	<u>796</u>	<u>386</u>	<u>(1,147)</u>	<u>35</u>
<i>Transfers between funds</i>	-	(328)	328	-
Net movement in funds	<u>796</u>	<u>58</u>	<u>(819)</u>	<u>35</u>
Reconciliation of funds				
<i>Balances brought forward at 1 April 2023</i>	<u>11,168</u>	<u>819</u>	<u>128,343</u>	<u>140,330</u>
Balances carried forward at 31 March 2024	<u>11,964</u>	<u>877</u>	<u>127,524</u>	<u>140,365</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

15. COMPARATIVE INFORMATION (CONTINUED)

Analysis of balance sheet at 31 March 2024 between unrestricted, restricted and endowment funds:

	Unrestricted Funds (Restated) £'000	Restricted Funds (Restated) £'000	Endowment Funds (Restated) £'000	Total Funds 2024 £'000
FIXED ASSETS				
Tangible assets	-	-	107,542	107,542
Investments	11,715	747	20,454	32,916
Total Fixed Assets	<u>11,715</u>	<u>747</u>	<u>127,996</u>	<u>140,458</u>
CURRENT ASSETS				
Debtors	3	25	-	28
Short term deposits	300	-	-	300
Cash at bank and in hand	80	105	432	617
Total Current Assets	383	130	432	945
CURRENT LIABILITIES				
Creditors	(134)	-	(904)	(1,038)
Total Current Liabilities	(134)	-	(904)	(1,038)
NET CURRENT ASSETS	<u>249</u>	<u>130</u>	<u>(472)</u>	<u>(93)</u>
TOTAL NET ASSETS	<u>11,964</u>	<u>877</u>	<u>127,524</u>	<u>140,365</u>
THE FUNDS OF THE CHARITY:				
PERMANENT				
ENDOWMENT FUNDS	-	-	127,524	127,524
RESTRICTED FUNDS	-	877	-	877
UNRESTRICTED FUNDS				
General operational fund	9,380	-	-	9,380
Designated funds	2,584	-	-	2,584
TOTAL FUNDS	<u>11,964</u>	<u>877</u>	<u>127,524</u>	<u>140,365</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

16. PRIOR YEAR RESTATEMENT

Reconciliations of the opening fund balances at 1 April 2024 to those previously stated are shown below. These adjustments have no impact on the total assets of the charity.

During the year a review of the land and buildings endowment fund and the value of the corresponding tangible fixed assets was undertaken. This identified that funds spent on the Boys' School capital project were presented in the accounts as borrowing from unrestricted funds. They should have been presented as a reduction in the endowment investment portfolio, in line with the Charity Commission consents secured, and increase in the land and buildings endowment fund value. The previous reporting showed a £9,144,000 negative balance in endowment fund cash balances at 31 March 2024. A retrospective adjustment has been made to present those funds (including the related income, gains, losses and management fees) in the accounts correctly, to ensure that the land and buildings fund matches the net book value of the underlying assets.

In addition, the presentation of income from the Girls' School endowment fund has been revised. This had previously been included within unrestricted general funds. However, during 2024-25 accounting year, when the Charity Commission approved the withdrawal of permanent endowments to fund the sixth form expansion, the trustees confirmed their intent that the income from that fund be set aside for the Girls' School. A new unrestricted designated fund has therefore been created to separate the income generated by the Girls' School fund from the general funds of the charity.

Following this review, the allocation of those assets between funds has been restated, with the overall impact on the 31 March 2024 figures being to reduce the endowment funds by £980,000, to reduce the restricted funds by £260,000, and to increase the unrestricted funds by £1,240,000.

ANALYSIS OF CHARITABLE FUNDS	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment Funds £'000</i>	Total 2024 £'000
<i>Total funds as previously stated</i>	10,724	1,137	128,504	140,365
<i>Adjustments for changes in classification</i>	1,240	(260)	(980)	-
<i>Total funds as restated at 31 March 2024</i>	11,964	877	127,524	140,365
	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment Funds £'000</i>	Total 2023 £'000
<i>Total funds as previously stated</i>	11,472	1,340	127,518	140,330
<i>Adjustments for changes in classification</i>	(304)	(521)	825	-
<i>Total funds as restated at 31 March 2023</i>	11,168	819	128,343	140,330

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2025

16. PRIOR YEAR RESTATEMENT (CONTINUED)

NET MOVEMENT IN FUNDS	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment Funds £'000</i>	Total 2024 £'000
<i>Net movement in funds as previously stated</i>	(748)	(203)	986	35
<i>Adjustments for changes in classification</i>	1,544	261	(1,805)	-
<i>Net movement in funds as restated at 31 March 2024</i>	796	58	(819)	35

17. RELATED PARTY TRANSACTIONS

John Pike, one of the trustees of the Foundation, is also a trustee of The Hearn Foundation. The Hearn Foundation is therefore considered to be a related party.

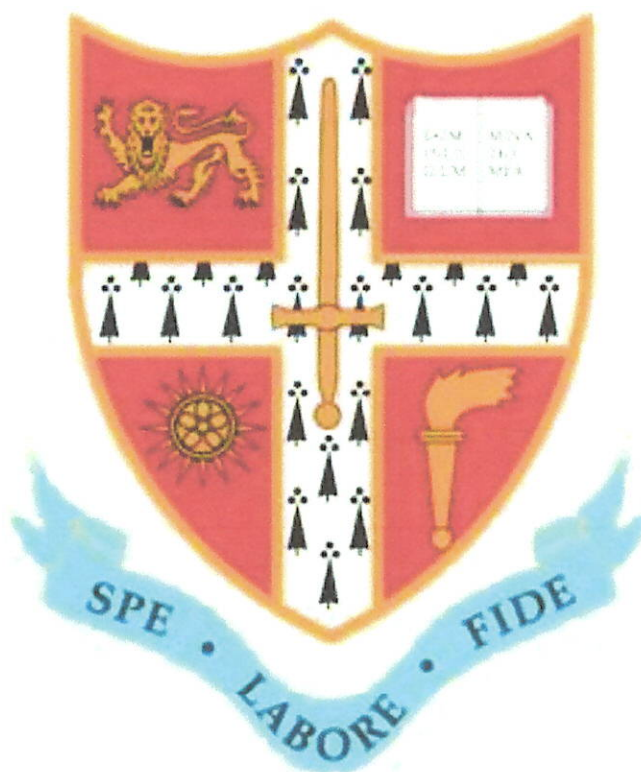
During the year, The Hearn Foundation gave grants totalling £96,666 (2024: £nil) to the Foundation for distribution to the Boys' School in accordance with the terms of the grant, to fund the extension of the extra-curricular activities for the Central Bacculaureate programme.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales - Charity number 312695

Accounts

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2024



Registered Charity No. 312695

Company No. 11294870

INTRODUCTION FROM CHAIR

It is a pleasure to introduce this annual report which reflects many achievements. In particular both Central Foundation schools continue to impress academically, despite the residual impact of the pandemic. Having completed an award-winning redevelopment of the Boys' School we are now ready, with funding and consents in place, to commence an expansion of the sixth form facilities at the Girls' School. The Foundation now has a clear vision, mission and near-term strategy with the human and financial resources necessary to deliver it.

The Board can now afford to step back a little and is looking forwards, with excitement and ambition, to formulating the Foundation's longer-term goals. As we begin this new phase, I'd like to take a moment to thank everyone who contributed to getting the Foundation to this point.

Firstly, thanks to our Headteachers, Jamie Brownhill, Carla Prince and her immediate predecessor Esther Holland, and all of the governors and staff at both schools. They have expertly guided the schools through the most difficult of Covid times and continue to ensure that their students achieve their full potential. Special thanks to Barry Gooden, who has just handed over the chair of the Girls' School governing body to Hilary Evenett, and to Simon Dodds, Chair of Governors at the Boys' School.

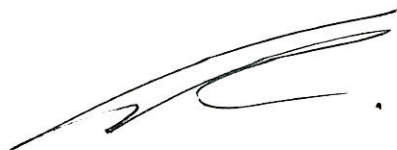
Secondly, I'd like to thank all those who have given so generously of their time and expertise in completing the Boys' School redevelopment project. In particular to Andrew Balfour, until recently a governor at the Boys' School; Francis Sumner, trustee director at the Foundation until the end of 2022; and Clive Arding to whom I must pay extra special thanks. As well as being a Foundation trustee director, Clive is a governor of the Girls' School and has given unstintingly of his time, energy and experience in leading the construction projects at both schools. Along with Jamie Brownhill, these four "magicians" have overseen a complete transformation of the Boys' School facilities.

I also want to express my gratitude to the former trustee directors who laid the ground for the Foundation we are becoming today. Particular thanks to my predecessor, Lord Leslie Griffiths of Burry Port who remains a great friend of both schools; to Robert Howard, who recently stepped down as vice-chair; and to George Kegler and Robert Maas who chaired the Investment and Finance Committees respectively through this significant period.

The Foundation could achieve nothing without its staff. John Clark and Pat Heath have, between them, served the Foundation for over 55 years. I thank them both for their incredible dedication and service. They have effected a smooth handover to a new team comprising Mel Jarrett, Don Massey and our fabulous Chief Executive, Sarah Gosling. I am so pleased that Sarah is about to move onto a permanent contract, and I hope that she will continue to lead the Foundation for many years to come.

Finally, sincere thanks to our current trustee directors, especially our Committee Chairs, Madush Gupta, Dilnaz Khambata, Amandeep Rehlon and Mike Yershon. All of our trustee directors are volunteers who give freely of their skills, insight and time in forging a new path for the Foundation.

Stephen Brown, Chair of the Foundation



MESSAGE FROM THE CHIEF EXECUTIVE

Our Vision: Through an exceptional Central Foundation education, every student learns, develops, and grows so they can reach their full potential.

I have been chief executive at the Foundation for just over a year as I write this. It's been an incredibly exciting year of change, of dreaming, of sad farewells and smiling welcomes. We've finished a huge building project, started planning a new one, shaped a strategy, wrestled with financial plans and breathed a sigh of relief as investments finally stabilized a bit. Through it all I am inspired by the young people at both schools who have risen to far more challenging circumstances. Sixth form students sat their first public exams in summer 2023 after studying from home extensively through Covid and achieved excellent results. At the Boys' School the final phase of the Boys' School redevelopment opened in September and a host of changes to their school environment were accommodated with a boisterous energy unique to a predominantly all-boys environment. It is not the quietest place to work but I love our office based in the midst of these students. At the Girls' School we are delighted the school was recognised for the exceptional range of arts and culture opportunities it offers with the award of the Artsmark Gold Award from the Arts Council England.

Within the Foundation I want to recognise the immense work of the Board and the change journey they themselves have navigated. Having been a 'doing' Board they placed their trust in me as their first chief executive and we have adjusted well together to the new executive/non-executive relationship. They remain deeply engaged and active. From driving major building programmes to establishing a pilot events programme for students at both schools, from serving as school governors (who have my immense respect for the even deeper involvement they have) to investment oversight, opening funding opportunities for both schools to establishing a fresh vision for how the Foundation can do and be more it has been an exceptional year for the Board. The Foundation would not function without their active involvement and commitment to education.

I also want to give a moment to say thank you to John Clark, our bursar and clerk of over 15 years, and Pat Heath our incredible administrator of nearly 40 years. They both retired this year and while we transitioned carefully and the new team are brilliant – a piece of our history, a wealth of knowledge and two lovely people are so missed. Their legacy is handing on an organisation with amazing history to people they have made sure understand just how important the work we do is and, if we do it well, what impact we can have through our support of students from the communities in Tower Hamlets and Islington. Our new Mission, which they helped frame, echoes the way they wanted to see the Foundation move forwards.

By leveraging our skills, funding and influence we will collaborate with our schools and partners to strengthen their education provision and outcomes, their governance, funding, and infrastructure.

I want to give the last word to this introduction to an inspiring alum from the Boys' School who is in his final year at Oxford and spoke at the Founder's Day Awards. He shared his less than smooth journey through school and ended his speech with words that had become his mantra, and which I want to bring to the year ahead at Central Foundation Schools of London:

Be bold, work hard, and be the best version of yourself.

Sarah Gosling
Chief Executive

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

OBJECTIVES AND ACTIVITIES

Our Vision

Through an exceptional Central Foundation education, every student learns, develops, and grows so they can reach their full potential.

Central Foundation Schools of London (CFSL) was established as an Educational Charity in 1863. For over 150 years, the Foundation has supported two voluntary aided schools - the Girls' School in Bow Road, Tower Hamlets, and the Boys' School based in Cowper Street, Islington. The original vision of our Founder was to provide an extended education for students in the community, which remains at the heart of the Foundation's purpose today.

The primary activities of the Foundation cover:

- providing services and facilities to support both schools.
- supporting the continuing education of students or former students.
- giving grants and bursaries to current or former students to enable them to continue their education or assist their future employability.

In recent years the substantial focus has been on developing and maintaining the buildings and facilities at both schools through significant financial investment from the Foundation, complemented by the award of grants to students and general financial support to the schools; this continued in 2023-24. In parallel the Foundation completed a period of transformation and development, informed by the recommendations of the 2021 Governance Review. We have established an exciting new Vision and undertook a review and refresh of our purpose and activities as part of establishing our first 3-year strategy. Everything we now do is centred on our Vision and our refreshed purpose (mission).

Our Mission

By leveraging our skills, funding and influence we will collaborate with our schools and partners to strengthen their education provision and outcomes, their governance, funding, and infrastructure.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE

Our plans for 2023-24 were shaped by five key themes around our strategy, people, finances, relationships and external engagement.

GOAL 1: Strategy: An exciting new 3-year strategy with supporting plans has been established for 2024 – 2026. Through two Board Away Days a clear vision and fresh mission were framed to support our charitable purpose, and five underpinning objectives were identified for the next three years:

1. Enhancing our support to students
2. Creating long term impact
3. Building a sustainable Foundation
4. Excellence in governance
5. Organisation efficiency

GOAL 2: People: We have successfully completed the planned staffing transition enabling our two amazing, longstanding staff members to retire in October 2023 as they planned. A new staff structure to support the transition year was introduced with clearly scoped fixed-term appointments to ensure transition was successfully completed and core operations for the new focus of the Foundation have been established. The Foundation team remains small – with the equivalent of one full time equivalent comprising the core staff team, supported by an external clerk to the board. However, with the clarity provided by the new strategy, the focus in the last quarter of the year moved from core operations and day-to-day administration to strategic planning and the first stages of implementation.

GOAL 3: Finance: As well as a smooth transition of day-to-day financial management to our new Finance Manager, a full refresh of the foundation's financial policies, processes, and banking was completed in the first half of the year. New financial controls have been established with a schedule of delegated authorities supporting the full range of decision making and activity within the Foundation. With the substantial capital investments with both schools in recent years coming to a conclusion in 2024-25, a review of the performance and future requirements for our endowments and investments has been initiated. An externally facilitated meeting of the Investment Committee has established our investment beliefs and started to frame how we may approach a review of our investment management later in 2024.

Goal 4: Relationships: This year the focus was on the new team working to further strengthen relationships with both Schools exploring how the Foundation ensures excellence in education and opportunities for its students and supports an effective governing body at each school. The Foundation has been working with both schools extending the recruitment options supporting each governing body to successfully attract and appoint new Foundation Governors. Discussions with our beneficiary schools have been key in shaping the new strategy and priorities for the Foundation. In autumn 2023, the Foundation Board approved funding to support a pilot events programme working with both schools. This opportunity and aspirations-raising programme will extend the range of inspirational speakers, talks and visits on career and future education opportunities for year 11, 12 and 13 students.

Goal 5: External Engagement: This year our focus has been to review and strengthen our external relationships and profile, including relationships with funders and nominating bodies, and consciously developing the external messaging on work of the Foundation. Historically the Foundation has had a very limited online and social media presence and little engagement with external stakeholders. This is an area for development through the new strategy where a full refresh of the website and creation of positive online content and engagement are planned for 2024-25. In 2023-24 the Foundation has established a LinkedIn presence which has been particularly valuable in attracting excellent candidates for new Foundation Trustees and appointments to both school governing bodies.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

In 2023-24 the Foundation also successfully completed the organisation transition started in July 2022 successfully updating our IT systems, risk management, and governance alongside the people and financial transformation. With these in place our attention now moves outwards to our new strategy.

Case Study 1: An exceptional Central Foundation education for every student

Creating opportunities for students sits at the heart of the grant the Girls' School receive from the Dulwich Foundation. The Girls' School wholeheartedly believes in the value students gain from engaging in the arts. In 2023 the Dulwich Foundation grant enabled more students to take up a musical instrument by expanding the Peripatetic Music Teacher capacity to offer more individual student lessons. At the other end of the spectrum, mental wellbeing support for students funded by the Estate means students can access essential mental health support which the Government has put a responsibility on schools to address with out meeting the full funding need this created.

Ensuring good academic outcomes for students is a priority so through the Dulwich Foundation grant the Girls' School is providing Learning Mentors who offer additional support to students. This support ranges from sessions based around individual student curriculum needs both in the classroom and individually. After-school learning lounges give year 7-9 students specific help with homework or identified subject support. Free light refreshments support the wider wellbeing of the students. For Year 10-11 students studying for their GCSEs an onsite HUB provides full time access for students to a study area for support during their independent study time. Mentors also run key support programmes across the year to help students raise their self-esteem, deal with exam stress and revision planning. A catch up programme for students from any year who needed additional support was established post Covid and works to support closing of gaps and deeper learning. Particularly beneficial has been the Dulwich Foundation grant funded 1 to 1 tutors programme which through an online tutoring service. The success of this initiative has meant students now self-refer for a tutor.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024



Case Study 2: Facilities for the 21st Century

Looking at the 'before' photos of the outside space at the Boys' School you can see why people described it as a 'prison yard'. Set within yards of impressive city firm buildings and incredible wealth it gave an interesting message to the boys coming to the school about how society viewed their place in the world.

Through the vision of the Boys' School head, their governing body and the Foundation, 10 years ago a journey started to challenge that narrative. Two phases and a lot of disruption later the final phase including the flagship Tabernacle building and new underground sports hall formally opened in Summer 2023.

There is something incredible about seeing students using the spaces and already being able to identify how the education and extra-curricular experience has grown. The project is far more than a building now – it is a life enhancing facility which is all about valuing, developing and growing the students studying at the Boys' School.

From well-equipped science labs inspiring so many students to want to student STEM subjects at A' Level there are discussions exploring how to expand that provision, to the new Creative Arts centre filled with the glorious sound of music at the Christmas concert or hosting Drama Club workshops with Company Three; from the silence of the Sports Hall set for exams to it filled with the animation and noise of the boys using it for a wide range of sports.

The hard work of the project team, the patience of the staff and resilience of the boys studying through the noise of building work, the Central Foundation's Campus Redevelopment Project won a National Civic Trust Award for 2024, beating 319 other entrants. However, when the Boys' School and the Foundation set out on its multi-million pound building project, it was the activities and the outcomes for students which were our driving force and that legacy is evident every single day.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

FUTURE PLANS

In 2023 the Foundation established an exciting new 3-year strategy and adjusted its staffing structure, governance and how it will use its financial resources to implement the 2024 – 26 strategy.

Our Vision: Through an exceptional Central Foundation education, every student learns, develops, and grows so they can reach their full potential.

Our Mission: By leveraging our skills, funding and influence we will collaborate with our schools and partners to strengthen their education provision and outcomes, their governance, funding, and infrastructure.

Strategic Objectives 2024 - 26: Over the next three years the Foundation has identified five core objectives:

1. **Enhancing our support to students:** Work with the Schools to give students access to more opportunities, funding and support.
2. **Creating long term impact:** Support the Schools to strengthen their educational outcomes for all students.
3. **Building a sustainable Foundation:** Create a robust plan to ensure the Foundation can continue to benefit the schools and students it supports for the next 50 years.
4. **Excellence in governance:** Create exceptional leadership and performance at Governing Body and Foundation Board level.
5. **Organisation efficiency:** Establish the right people, budgets, process and office requirements to deliver the new strategy.

Public Benefit

In shaping our objectives for the year and planning our activities, the Trustees confirm they have considered the Charity Commission's guidance on public benefit, including the guidance "Public Benefit: Running a Charity (PB2)". The charity provides funding for facilities and services to two schools in inner London serving their local communities and makes available grants and assistance to individual students. This Trustees' Report provides an explanation of the activities undertaken by the charity - in line with our purposes - and demonstrates the difference they are making.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 26 and comply with the charity's Scheme, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS102).

The Foundation has now completed its major investment in the Boys' School redevelopment and, through agreement with the Charity Commission, transferred significant assets from its investment portfolio to land and buildings. Investment by the Foundation in a planned addition to the Girls' School 6th form provision is currently being activated which will drawdown the investments set aside in the Girls' School Fund.

The Foundation's core portfolio of endowments and general operating funds totalled at £33m at 31 March 2024. These funds generate our core operating income. The Foundation's investments performed well during the year as markets recovered from a very volatile period in recent years generating £662k to cover the running costs, student grants and core support for our schools. The Foundation's investments are well diversified, and with a new strategy now in place, a review is in process to help the charity to understand its financial needs and achieve its investment objectives over the long-term.

In December 2023, the Foundation Board approved an increase to the Designated Fund supporting the Girls' School PFI repayments. Having set aside £3m to meet its original agreed commitment, more recently the Board has made an additional annual contribution. Recognising that this support would be given annually through to the end of the revised contract, the designated fund has been increased to £1.92m as at 31 March 2024 to cover full contributions through to autumn 2027, drawing from the Foundation's General Operational Fund.

Grant income of £847,974 was received from the Dulwich Foundation who continue to support our two schools. As in prior years, the Foundation passed this money onto the two schools in proportion to their total number of pupils. In addition, two donations received through the Foundation funded additional scope for the Boys' School redevelopment project which concluded this year - a £300,000 grant from the Roy Bard Foundation and a final distribution from the estate of Reginald Gray, a former student at the Boys' School.

As the year ended, a new grant agreement was established with the Peter Hearn Foundation which will provide £100,000 per year for three years from September 2024 for the development of the Boys' School extra-curricular programme. Along with a start-up grant of £30,000 this will be managed through the Foundation and distributed for the agreed purposes through each academic year.

Financial Policies

Following the full review of financial controls, banking and investment structures and updated financial practices in 2022-3, the Foundation has established a refreshed delegation of authorities.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Investment Policy

Through its Investments policy the trustees aim to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The Board sets the charity's investment policy, following recommendations from the Investment and Finance Committees, and engages professional investment managers to undertake the management process and make day-to-day decisions. The Investment Committee monitors their performance and meets with the Foundation's investment managers at least annually.

During the financial year, the Foundation's investments were managed by three specialist investment managers, Rathbones, JM Finn and Meridiam (formerly Veritas). The trustees preclude investment in tobacco companies and asks its investment managers to demonstrate that they monitor Environmental, Social and Governance (ESG) factors and actively engage to promote improved management of ESG risks.

Each Fund Manager brief is framed to meet the differing financial needs of the Foundation. Short term income needs are met through dividend income managed concurrently with protection against inflation to maintain the core value of our investments. Approximately half the endowment portfolio is managed for growth, to provide a means for funding the longer-term needs and opportunities of the Foundation. The performance of the Investment Managers is monitored against suitable benchmarks. The Foundation's monthly unrestricted cashflow requirements are met through dividend income received and held with its bank.

At the start of 2024, the Foundation's Investment Committee initiated the review of its investment beliefs and priorities and will review how its investment goals and principles might need to be refreshed to support the new Foundation strategy.

In addition, the Foundation's policy sets out any specific portfolio requirements, particularly relating to the Boys' and Girls' School ringfenced funding.

Details of the value and income from the Foundation's investments and endowments are disclosed in notes 11 and 14 to the accounts.

Financial Reserves Policy See note 14 (analysis of charitable funds)

The Foundation's reserves are classified between Endowment Funds, Restricted Funds, Designated and Unrestricted Funds. Overall, the Foundation manages its level of liquid assets to meet its ongoing funding needs for at least 6 months.

The trustees consider it prudent to have a blend of funds invested for growth, and medium-term investments which create a continuous income for the Foundation. In addition, the trustees have designated funds over and above its general reserves to ensure the funds for the remaining four-year commitment to support the Girls' School PFI arrangement are protected and available each autumn as required to meet the commitment as it falls due.

Reserves Overview

The unrestricted funds available to the Foundation not designated for existing activity at the end of 2023–24 is £8,804,000 (2022, £9,986,000).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Fundraising

Historically the Charity has not conducted any direct fundraising activity. From time to time the Foundation has received legacies from former students and will continue to welcome these to enhance the support offered to both schools. A joint Committee between the Foundation, the Boys' School and the Girls' School looks at fundraising and profile-raising opportunities. In 2024-25 the Foundation is planning to pilot the potential for fundraising activity by the Foundation in support of the two schools.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is a Charity (charity number 312695) founded by a Trust Deed in February 1891 which has been amended over subsequent years and now operates under the 2010 Scheme of the Charity Commissioners, as amended by the Scheme dated 28 June 2018. An amendment in June 2024 has adjusted the required Board meetings from 6 to 4 in line with the new quarterly meeting cycle and establishment of an executive staff team.

The sole corporate trustee, called CFSL Trustee Limited, is constituted as a non-charitable company limited by guarantee (company number 11294870). The directors of the corporate trustee act as the Board of Trustees of the charity and are referred to as such throughout this report.

Our Charitable Objects

The object of the Foundation is

to advance the education (including the social and physical education) of persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools – The Central Foundation Boys' School in the London Borough of Islington and the Central Foundation Girls' School in Bow, London.

Structure and Relationships with Schools

Each school has its own Governing Body to which the Foundation appoints the majority (ten) of Governors. Three Governors from each school serve as trustees on the Foundation Board. In recent years, the Foundation has contributed to the costs of a clerk to support each Board of Governors.

Trustees

The Foundation's Board of Trustees comprises up to 18 individuals - 8 appointed by nominating bodies¹ and 10 by the Board as co-opted trustees. As of 31 March 2024, there were three nominative and one co-opted vacancies, with a further co-opted vacancy for a Boys' School Governor in the process of being filled.

¹ University of London (2), London Chamber of Commerce (1), City of London Corporation (1), Wardmote of the Ward of Bishopsgate (1), Bank of England (1), Dulwich Estate (1), Vestry of the Parish of St Botolph's Bishopsgate (1).

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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FOR THE YEAR ENDED 31 MARCH 2024**

Nominating bodies work closely with the Foundation to understand the skills needs of the Board; for example, the Dulwich Foundation worked to identify a nominated trustee with investment experience to join the Board and have successfully added to the capacity and skills of the Investment Committee.

Co-opted trustees are selected for their specific knowledge to keep a balance of skills within the Board. As well as three Foundation Governors from each school, the Board also seeks to include at least one former student from one of the Central Foundation Schools who has achieved highly in their business lives.

A practice of openly advertising vacancies has recently been initiated with an excellent response. An open recruitment process to fill the four vacancies was framed to run in Spring/Summer 2024. Led by the Foundation's People & Nominations Committee and chief executive the aim was to identify and propose new trustees to the Foundation Board at their early Autumn meeting. A review of the current and required skills, experience, background and diversity profile the Board was completed and set against the 3-year strategy goals informed the recruitment process. The number and quality of applications has been high, and a competitive interview and selection process will run through the summer term to confirm appointments for recommendation to the early Autumn Board meeting.

Organisation Management

The Board of Trustees has oversight of the finances, staff, properties and investments of the Foundation.

Following a Governance Review in 2021 and initiation of a Transformation Programme in July 2022, the Board has reviewed and refreshed both its own composition and its staff function. Clear executive leadership has now been established alongside strengthened financial management and core governance support. A chief executive was appointed from 1 April 2023 on a fixed term basis alongside a new finance manager and external clerk to the board. In March 2024 the Board reviewed and approved a new long-term staff structure to support the Foundation's strategy and future direction. From October 2024 a permanent staff team, supported by appropriate injections of specialist resources on a short/fixed term basis will equip the Foundation to deliver its 3-year strategy.

The updated Committee and Board structures established in January 2023 have settled into a regular and effective quarterly cycle with more time available, initially to set and now to ensure delivery of the new strategy, while retaining the balance with its oversight and compliance role. Three formal governance Committees meet quarterly to oversee progress on key Foundation activity: People & Nominations, Finance & Audit, and an Investment Committee. Alongside the formal Committees, the Foundation continues to collaborate with both schools on fundraising and alumni relationship development through a Fundraising and External Communications Committee. The Foundation also sits on the Project Board for the Girls' School 6th Form Building Project which was initiated in 2023-24.

Risk Management

The trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise in each of these areas. In the opinion of the trustees, the Foundation has established the resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

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The Foundation's principal assets comprise land, buildings and listed investments, the value of which is dependent on movements in the UK and overseas stock markets. The investments are managed by reputable professional investment managers who adhere to a policy agreed by the trustees and the Investment Committee. Regular meetings are held with the investment managers and their performance and that of the portfolio are monitored by the Foundation.

Principal Risks and Uncertainties

The trustees have put in place an annual review process, working through the Committees, to revisit and update their risk management strategy. The principal risks considered over the last 12 months include:

- Clarity of the Foundation's future purpose and structure.
- Establishing the Foundation's long-term infrastructure and resources (people, financial and process).
- Financial market volatility and the impact on the Foundation's endowments and investments.
- Completing updating of Financial controls and banking management.
- Future changes in Education and the role of the Foundation.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL	Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Bankers	Barclays Bank PLC Level 27 1 Churchill Place London E14 5HP		Meridiam Investment Management Limited (formerly Veritas Investment Partners (UK) Ltd) Riverside House 2a Southwark Bridge Road London SE1 9HA
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE		J M Finn & Co 25 Copthall Avenue London EC2R 7AH

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors of the corporate trustee ('the trustees') are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the charity trustees to prepare accounts 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, including the income and expenditure, of the charity for that period. In preparing these accounts, 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 accounts;
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts & Reports) Regulations 2008, and the provisions of the constitution. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the Board on 17 October 2024

and signed on its behalf by:



Trustee

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the accounts of The Central Foundation Schools of London (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2024 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts, or our knowledge obtained in the course of 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 accounts 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the directors of the corporate trustee ('the trustees') are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 accounts

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 accounts 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 accounts.

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:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to relevant financial reporting standards and the Charities Act 2011; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and representatives from those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; and
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of trustee meetings; and
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

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.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date 30 October 2024

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
INCOME						
Donations and legacies	2					
Dulwich Estate		1,116	-	-	1,116	535
Legacy		-	28	-	28	-
Donation		-	-	-	-	300
Investment income	3					
Rental income		-	-	-	-	4
Bank and other interest		37	-	-	37	5
Dividend income		647	15	-	662	898
Other income						
Surplus on disposal of Cowper Street corner site		-	-	-	-	4,661
Total income		<u>1,800</u>	<u>43</u>	<u>-</u>	<u>1,843</u>	<u>6,403</u>
EXPENDITURE						
Cost of raising funds						
Investment management fees	4	28	3	170	201	219
Charitable activities						
Support to schools	5, 6	2,189	8	1,311	3,508	2,313
Total expenditure		<u>2,217</u>	<u>11</u>	<u>1,481</u>	<u>3,709</u>	<u>2,532</u>
Net income (expenditure) before gains on investments		(417)	32	(1,481)	(1,866)	3,871
Net surplus on sale of investment property		-	-	91	91	-
Net deficits/gains on investments	11	70	36	1,704	1,810	(3,246)
Net income and net movement in funds before transfers		<u>(347)</u>	<u>68</u>	<u>314</u>	<u>35</u>	<u>625</u>
Transfers between funds	14	(401)	(271)	672	-	-
Net movement in funds		<u>(748)</u>	<u>(203)</u>	<u>986</u>	<u>35</u>	<u>625</u>
Balances brought forward at 1 April 2023		<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>	<u>139,705</u>
Balances carried forward at 31 March 2024		<u>10,724</u>	<u>1,137</u>	<u>128,504</u>	<u>140,365</u>	<u>140,330</u>

The notes on pages 25 to 37 form part of these accounts.
Detailed comparative information is provided in note 15.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
BALANCE SHEET
YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2024 £'000	Total Funds 2023 £'000
FIXED ASSETS						
Tangible assets	10	-	-	107,542	107,542	106,220
Investments	11	1,989	821	30,106	32,916	29,600
Total Fixed Assets		<u>1,989</u>	<u>821</u>	<u>137,648</u>	140,458	<u>135,820</u>
CURRENT ASSETS						
Debtors	12	28	-	-	28	571
Short term deposits		300	-	-	300	
Cash at bank and in hand		<u>9,445</u>	<u>316</u>	<u>(9,144)</u>	617	<u>6,205</u>
Total Current Assets		9,773	316	(9,144)	945	6,776
CURRENT LIABILITIES						
Creditors	13	<u>(1,038)</u>	-	-	(1,038)	<u>(2,266)</u>
NET CURRENT ASSETS		<u>8,735</u>	<u>316</u>	<u>(9,144)</u>	(93)	<u>4,510</u>
TOTAL NET ASSETS		<u>10,724</u>	<u>1,137</u>	<u>128,504</u>	140,365	<u>140,330</u>
<i>THE FUNDS OF THE CHARITY:</i>						
PERMANENT						
ENDOWMENT FUNDS	14	-	-	128,504	128,504	127,518
RESTRICTED FUNDS	14	-	1,137	-	1,137	1,340
UNRESTRICTED FUNDS						
General operational fund	14	8,804	-	-	8,804	9,986
Designated fund		<u>1,920</u>	-	-	1,920	<u>1,486</u>
TOTAL FUNDS		<u>10,724</u>	<u>1,137</u>	<u>128,504</u>	140,365	<u>140,330</u>

Approved by the Board of Trustees on 17 October 2024

and signed on its behalf by:



THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,978)	(420)
Cash flows from investing activities:			
Dividends and interest from investments		699	907
Transfer to short term deposits		(300)	-
Proceeds from the disposal of investments		16,004	19,224
Purchase of investments		(17,684)	(4,742)
Purchase of fixed assets		(2,594)	(11,276)
Net cash (used in) generated by investing activities		<u>(3,875)</u>	<u>4,113</u>
Change in cash and cash equivalents in the year		(5,853)	(3,693)
Cash and cash equivalents at 1 April 2023	B	7,163	3,470
Cash and cash equivalents at 31 March 2024	B	<u>1,310</u>	<u>7,163</u>

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2024:

A. Reconciliation of net movement in funds to net cash used in operating activities

	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	35	625
Adjustments for:		
Surplus on disposal of fixed assets	-	(4,661)
Depreciation charge	1,272	786
Surplus on disposal of investment property	(91)	-
Gains on investments	(1,810)	3,246
Dividends and interest from investments	(699)	(907)
Decrease (increase) in debtors	543	(544)
(Decrease) increase in creditors	(1,228)	1,035
Net cash used in operating activities	<u>(1,978)</u>	<u>(420)</u>

B. Analysis of net debt

	2024 £'000	2023 £'000
Cash at bank and in hand	617	6,205
Cash held by investment advisors	693	958
Total cash and cash equivalents at 31 March 2024	<u>1,310</u>	<u>7,163</u>
Short term deposits	<u>300</u>	-

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2024.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant accounting policies below or notes to the accounts. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and 2022.

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

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include estimating the useful economic life of tangible fixed assets.

c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2024, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

d) Income recognition

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

d) Income recognition (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. *In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.*

Gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

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

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.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. The classification between activities is as follows:

- Cost of raising funds comprises investment management fees incurred in generating investment income and capital appreciation.
- Expenditure on charitable activities includes all costs associated with the provision of support to the schools and where appropriate individual students and former students and include both the direct costs and governance costs relating to these activities.

Grants payable are included in the financial statements once a constructive or legal obligation exists.

f) Tangible Fixed Assets and Depreciation

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation was adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been deemed to be cost.

Subsequent additions costing more than £1,000 are included at cost. The Foundation is responsible for contributing towards the upkeep of the original buildings at the Boys' School and Girls' School in a fit and useful condition, and such costs are written off as incurred.

Freehold buildings are depreciated at a rate of 2% per annum on a straight-line basis. No depreciation is charged in respect of freehold land.

Office equipment costing more than £1,000 is included at cost and depreciated at a rate of 25% per annum on a straight-line basis.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

g) Investments

Listed investments 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

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

l) Pensions

The Foundation makes contributions to employees' personal pension plans. Contributions are charged to the SOFA when payable.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2024	<i>Total funds 2023</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Dulwich estate	1,116	-	-	1,116	535
Legacy	-	28	-	28	-
Donation	-	-	-	-	300
2024 Total funds:	1,116	28	-	1,144	835
	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	
<i>Dulwich estate</i>	<i>535</i>	<i>-</i>	<i>-</i>	<i>535</i>	
<i>Donation</i>	<i>-</i>	<i>300</i>	<i>-</i>	<i>300</i>	
<i>2023 Total funds:</i>	<i>535</i>	<i>300</i>	<i>-</i>	<i>835</i>	

3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2024	<i>Total funds 2023</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Rental income	-	-	-	-	4
Bank and other interest	37	-	-	37	5
Dividend income	647	15	-	662	898
2024 Total funds	684	15	-	699	907
	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	
<i>Rental income</i>	<i>4</i>	<i>-</i>	<i>-</i>	<i>4</i>	
<i>Bank and other interest</i>	<i>5</i>	<i>-</i>	<i>-</i>	<i>5</i>	
<i>Dividend income</i>	<i>873</i>	<i>25</i>	<i>-</i>	<i>898</i>	
<i>2023 Total funds</i>	<i>882</i>	<i>25</i>	<i>-</i>	<i>907</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

4. COST OF RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total funds 2024 £'000	<i>Total funds 2023 £'000</i>
Investment management fees	24	3	170	197	211
Investment property costs	4	-	-	4	8
2024 Total funds	28	3	170	201	219
				<i>Total funds 2023 £'000</i>	
	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment funds £'000</i>		
Investment management fees	31	4	176	211	
Investment property costs	8	-	-	8	
<i>2023 Total funds</i>	<i>39</i>	<i>4</i>	<i>176</i>	<i>219</i>	

5. CHARITABLE ACTIVITIES

	Unrestricted Funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2024 £'000	<i>Total funds 2023 £'000</i>
Support to schools (note 6)	2,108	8	39	2,155	1,438
Depreciation charge (note 10)	-	-	1,272	1,272	786
Governance costs (note 7)	81	-	-	81	89
2024 Total funds	2,189	8	1,311	3,508	2,313
				<i>Total funds 2023 £'000</i>	
	<i>Unrestricted Funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>		
<i>Support to schools (note 6)</i>	<i>1,388</i>	<i>3</i>	<i>47</i>	<i>1,438</i>	
<i>Depreciation charge (note 10)</i>	<i>-</i>	<i>-</i>	<i>786</i>	<i>786</i>	
<i>Governance costs (note 7)</i>	<i>89</i>	<i>-</i>	<i>-</i>	<i>89</i>	
<i>2023 Total funds</i>	<i>1,477</i>	<i>3</i>	<i>833</i>	<i>2,313</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

6. SUPPORT TO SCHOOLS

	2024			2023		
	Boys' School £'000	Girls' School £'000	Total £'000	Boys' School £'000	Girls' School £'000	Total £'000
Grants to Schools						
Staff costs	50	37	87	18	3	21
Direct grants	417	470	887	349	454	803
Girls' School PFI payment	-	480	480	-	480	480
Total	467	987	1,454	367	937	1,304
School Premises Costs						
Other costs	-	579	579	20	-	20
Awards and Prizes						
Bursaries	15	27	42	21	26	47
Bendy awards	4	-	4	3	-	3
Total	19	27	46	24	26	50
Support costs						
Staff costs	25	18	43	30	9	39
Other costs						
Printing, stationery, postage, telephone	3	2	5	5	1	6
Computer support	5	4	9	7	2	9
Insurance	3	2	5	-	-	-
Legal and professional	-	-	-	7	-	7
Transition costs/sundries	7	7	14	2	1	3
Total	18	15	33	21	4	25
2024 Total funds	529	1,626	2,155	462	976	1,438

7. GOVERNANCE COSTS

	2024 £'000	2023 £'000
Auditor's remuneration for audit	14	18
Trustee indemnity insurance	3	4
Professional fees	6	14
Governance Review/Trustee meetings	5	2
Staff costs	53	51
2024 Total funds	81	89

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

8. TOTAL STAFF COSTS – INCLUDED IN NOTES 6 & 7

	2024	2023
	£'000	£'000
Salaries	104	51
Social security costs	10	5
Pension costs	6	3
Consultancy costs	12	56
	132	115

The average number of employees in the year was 3 (2022 - 2), none of whose emoluments exceeded £60,000. The Foundation also paid £66k for the costs of clerking services for the Boys' and Girls' Schools (2023 - £12k). These are not included in the above table.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The trustees consider that they and the CEO comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day-to-day basis.

No trustees received any remuneration during either the current or preceding financial year. No Trustee received travel expenses during the current or preceding financial year.

10. TANGIBLE FIXED ASSETS

	Office Equipment £'000	Freehold Property £'000	Assets under construction £'000	2024 Total £'000
Cost or valuation				
As at 1 April 2023	5	71,997	41,183	113,185
Additions	-	2,594	-	2,594
Transfers		41,183	(41,183)	-
Disposals	(5)	-	-	(5)
As at 31 March 2024	-	115,774	-	115,774
Depreciation				
As at 1 April 2023	5	6,960	-	6,965
Charge for year	-	1,272	-	1,272
Disposals	(5)	-	-	(5)
As at 31 March 2024	-	8,232	-	8,232
Net book value				
As at 31 March 2024	-	107,542	-	107,542
As at 31 March 2023	-	65,037	41,183	106,220

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation was adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation was treated as deemed cost.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

11. INVESTMENTS AT MARKET VALUE

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000	2023 Total £'000
Listed Investments	29,413	1,989	821	32,223	28,092
Dealing Account	693	-	-	693	958
Investment property	-	-	-	-	550
	30,106	1,989	821	32,916	29,600

SUMMARY OF SHARES AND OTHER SECURITIES

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000
As at 1 April 2023	25,070	1,899	1,123	28,092
Additions	17,034	527	123	17,684
Disposals	(14,395)	(507)	(461)	(15,363)
Realised and unrealised losses	1,704	70	36	1,810
As at 31 March 2024	29,413	1,989	821	32,223

COST OF INVESTMENTS

31 March 2024	26,162	1,995	308	28,465
<i>31 March 2023</i>	<i>24,410</i>	<i>1,950</i>	<i>592</i>	<i>26,952</i>

SUMMARY OF INVESTMENT PROPERTY

	2024 £'000
As at 1 April 2023	550
Disposals (proceeds £641k, realised gain £91k)	(550)
As at 31 March 2024	-

12. DEBTORS

	2024 £'000	2023 £'000
Prepayments	3	545
Accrued income	25	26
	28	571

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

13. CREDITORS

	2024 £'000	2023 £'000
Trade creditors	400	123
Other creditors	30	-
Accruals	608	2,143
	<u>1,038</u>	<u>2,266</u>

14. ANALYSIS OF CHARITABLE FUNDS

	<i>At 1 April</i> 2023 £'000	Income £'000	Resources expended £'000	Gains on investments £'000	Transfers between funds £'000	At 31 March 2024 £'000
Permanent						
Endowments						
Dulwich Estate	8,870	-	(12)	113	-	8,971
Newman/Buckman/ Bursaries & Prizes	935	-	(37)	-	-	898
Girls' School Fund	8,014	-	(35)	(94)	-	7,885
General	5,951	-	(89)	1,382	-	7,244
Properties (sold)	10,474	-	(35)	394	(2,946)	7,887
Land and buildings	93,274	-	(1,273)	-	3,618	95,619
Total endowments	<u>127,518</u>	<u>-</u>	<u>(1,481)</u>	<u>1,795</u>	<u>672</u>	<u>128,504</u>
Restricted funds						
Newman/Buckman/ Prizes & Grants	153	2	(5)	3	-	153
Bendy 1 & 2	887	13	(6)	33	57	984
Reginald Gray Portfolio	-	28	-	-	(28)	-
Roy Bard Foundation	300	-	-	-	(300)	-
Total restricted	<u>1,340</u>	<u>43</u>	<u>(11)</u>	<u>36</u>	<u>(271)</u>	<u>1,137</u>
General operational						
Fund	9,986	1,800	(1,737)	70	(1,315)	8,804
Designated funds	1,486	-	(480)	-	914	1,920
Total unrestricted	<u>11,472</u>	<u>1,800</u>	<u>(2,217)</u>	<u>70</u>	<u>(401)</u>	<u>10,724</u>
Total funds	<u>140,330</u>	<u>1,843</u>	<u>(3,709)</u>	<u>1,901</u>	<u>-</u>	<u>140,365</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

ENDOWMENT FUNDS

The Dulwich Estate permanent endowment was created by capital distributions from the Dulwich Estate totalling £5,705,600 received in 1996, 2000, 2012, 2013 and 2014. The income can be used for the general purpose of the Foundation.

Newman Trust was established in 1998 from a transfer of funds from The Bishopsgate Foundation. The fund is for the provision of prizes and to help and support needy pupils.

Mrs Irene Buckman, a former pupil of the Girls' School and a former governor and trustee, donated £16,667 in the year ended 31 March 2005, the income from which is to be used for girls who go on to higher education.

The Investment Property Fund represents the net proceeds from the sale of land bordering City Road, and land at College Terrace in Tower Hamlets. These form part of the permanent *endowment, and the income can be used for the general purposes of the Foundation. With permission of the Charity Commission part of these funds have been drawn to fund the Boys' School Project and the funds spent to date transferred to the land and buildings endowment fund. The sale of the Cowper Street Corner Site represents the net proceeds from the sale of land bordering Cowper Street and Tabernacle Street in February 2023. The Charity Commissioners have directed that the net proceeds be included as part of the permanent endowment funds and granted permission for their use for Phase 2 of the Boys' School Project.*

A Bursaries and Prize fund was created from the Endowment Funds as at 1 April 2018. The interest from these funds to be distributed to the two beneficiaries.

RESTRICTED FUNDS

The separate prizes and grants funds were merged with the Foundation under S74 of the Charities Act 1993 in 1996. *The income and any accumulation of income is to be applied in promoting the education of the pupils attending the Boys' and Girls' Schools.*

The Bendy fund was created in November 1999 by a legacy from a former pupil of the Central Foundation Boys' School, Mr Wilfred Bendy and Mrs Bendy. A Trustees Resolution under Section 275 of the Charities Act 2011 dated 18 June 2012 amended the purposes of the legacy to read:

To advance education in engineering, science, technology and mathematics by:

- 1) the provision of grants, bursaries, scholarships, prizes, financial assistance and provisions of equipment to students at the Central Foundation Boys' School (the "School") and to persons who have been students at the School (in relation to the latter, in order to assist them to continue their education at University or other place of learning or to undertake training with a preference for those who go on to study or undertake training in engineering or related subjects);

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

- 2) the provision of facilities, equipment and services at the School.
- 3) the establishment and provision for the benefit of students at the school of after school, or other out of hours, clubs, courses and extra-curricular activities:
- 4) the provision and facilitation for the benefit of students at the School of careers advice, work experience, mentoring and related activities with the aim of assisting and encouraging students to undertake further education or training in engineering, science, technology and mathematics.

In 2023, a transfer of £344k was made from the Bendy portfolio to fund the construction and equipping of science laboratories at the School, an action which had been approved in 2021-22. This was then offset against a transfer of £401k into the fund, representing the balance on the Bendy II legacy. This balance had previously been reported as an unrestricted fund. It was confirmed in May 2024 that both Bendy legacies are solely for the use of the Boys' School.

The Newman Trust and Mrs Irene Buckman funds represent income from the endowments described above.

UNRESTRICTED FUNDS

The General operational fund represents the free funds of the Foundation which are not designated for particular purposes.

The designated funds represent reserves set aside by the trustees to cover the present value of the Foundation's commitment to the Girls' School PFI contract, together with the income generated from the Boys' School and Girls' School endowment funds, which has been set aside for use by the Schools.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

15. COMPARATIVE INFORMATION

Analysis of income and expenditure in the year ended 31 March 2023 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2023</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>INCOME</i>				
<i>Donations and legacies</i>	-	300	-	300
<i>Dulwich Estate</i>	535	-	-	535
<i>Investment income</i>				
<i>Rental income</i>	4	-	-	4
<i>Bank and other interest</i>	5	-	-	5
<i>Dividend income</i>	873	25	-	898
<i>Other income (corner site)</i>			4,661	
<i>Total income</i>	<u>1,417</u>	<u>325</u>	<u>4,661</u>	<u>6,403</u>
<i>EXPENDITURE</i>				
<i>Cost of raising funds</i>				
<i>Investment management fees</i>	39	4	176	219
<i>Charitable activities</i>				
<i>Support to schools</i>	1,477	3	833	2,313
<i>Total expenditure</i>	<u>1,516</u>	<u>7</u>	<u>1,009</u>	<u>2,532</u>
<i>Net income before gains on investments</i>	(99)	318	3,652	3,871
<i>Revaluation of Property</i>	-	-	-	-
<i>Net gains on investments</i>	(317)	(132)	(2,797)	(3,246)
<i>Net income and net movement in funds</i>	<u>(416)</u>	<u>186</u>	<u>855</u>	<u>625</u>
<i>Transfers between funds</i>	-	(653)	653	-
<i>Net movement in funds</i>	(416)	(467)	1,508	625
<i>Reconciliation of funds</i>				
<i>Balances brought forward at 1 April 2022</i>	<u>11,888</u>	<u>1,807</u>	<u>126,010</u>	<u>139,705</u>
<i>Balances carried forward at 31 March 2023</i>	<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2024

15. **COMPARATIVE INFORMATION (CONTINUED)**

Analysis of balance sheet at 31 March 2023 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2023</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>FIXED ASSETS</i>				
<i>Tangible assets</i>	-	-	106,220	106,220
<i>Investments</i>	2,856	724	26,020	29,600
<i>Total Fixed Assets</i>	<u>2,856</u>	<u>724</u>	<u>132,240</u>	<u>135,820</u>
<i>CURRENT ASSETS</i>				
<i>Debtors</i>	571	-	-	571
<i>Cash at bank and in hand</i>	<u>10,311</u>	<u>616</u>	<u>(4,722)</u>	<u>6,205</u>
<i>Total Current Assets</i>	10,882	616	(4,722)	6,776
<i>CURRENT LIABILITIES</i>				
<i>Creditors</i>	<u>(2,266)</u>	<u>-</u>	<u>-</u>	<u>(2,266)</u>
<i>NET CURRENT ASSETS</i>	<u>8,616</u>	<u>616</u>	<u>(4,722)</u>	<u>4,510</u>
<i>TOTAL NET ASSETS</i>	<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>
<i>THE FUNDS OF THE CHARITY:</i>				
<i>PERMANENT</i>				
<i>ENDOWMENT FUNDS</i>	-	-	127,518	127,518
<i>RESTRICTED FUNDS</i>	-	1,340	-	1,340
<i>UNRESTRICTED FUNDS</i>				
<i>General operational fund</i>	9,986	-	-	9,986
<i>Designated fund</i>	1,486	-	-	1,486
<i>TOTAL FUNDS</i>	<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales - Charity number 312695

Accounts

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2023



Central Foundation Schools of London

Registered Charity No. 312695

Company No. 11294870

INTRODUCTION

It is my pleasure to be introducing this year's annual report as the recently appointed Chief Executive at the Central Foundation Schools of London. After 9 months supporting their exciting and wide-ranging transition project, I was delighted to be asked to join the Foundation formally to work with the Board and our amazing schools to shape a fresh vision and develop a three-year strategy.

Creating the conditions for young people from any background to have opportunities and be recognised for who they are is core to my sense of purpose. Working with two schools in inner London for a charitable Foundation committed to supporting their students thrive therefore, has to be one of the best roles available.

As well as continuing to support the two Central Foundation Schools - through grants to the schools, bursaries and awards for students, and capital funding for major building projects - this year's Trustees' Report looks back at the period of transition the Board undertook in 2022-23. Having supported the Foundation through their transformation work I want to note particularly the work of the trustees who have given their time and skills directly to support the Foundation. From extensive building and legal experience to arranging speakers and visit for students at both schools, investment oversight to education insight, from people, finance, and project management skills and more, the Foundation would not function without their active involvement and commitment to education.

With the opening of the final phase of the Boys' School redevelopment ready for the new academic year and plans well progressed for an exciting development with the Girls' School, 2023-24 will be framed around the review and refresh our vision and mission. Reflecting and deciding on how we use our investments and resources to support current and future generations of students at the Central Foundation Schools to realise their potential is a truly inspiring prospect.

Sarah Gosling
Chief Executive

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Central Foundation Schools of London (CFSL) was established as an Educational Charity in 1863. For over 150 years, the Foundation has supported two voluntary aided schools - the Girls' School in Tower Hamlets, and the Boys' School based in Cowper Street, Islington. The original vision of our Founder was to provide an extended education for students in the community, which remains at the heart of the Foundation's purpose today.

The primary activities of the Foundation cover:

- providing services and facilities to support both schools.
- supporting the continuing education of students or former students.
- giving grants and bursaries to current or former students to enable them to continue their education or assist their future employability.

Most recently the substantial focus has been on developing and maintaining the buildings and facilities at both schools through significant financial investment from the Foundation, complemented by the award of grants to students and general financial support to the schools. This continued in 2022-3 while in parallel the Foundation embarked on an exciting year of transformation and development informed by the recommendations of the 2021 Governance Review.

Public Benefit

In shaping our objectives for the year and planning our activities, the Trustees confirm they have considered the Charity Commission's guidance on public benefit, including the guidance "Public Benefit: Running a Charity (PB2)". The charity provides funding for facilities and services to two schools in inner London serving their local communities and makes available grants and assistance to individual students. The Trustees' Report provides an explanation of the activities undertaken by the charity - in line with our purposes - and demonstrates the difference they are making.

ACHIEVEMENTS AND PERFORMANCE

The Foundation is proud of its achievements and development over the last 12 months. The 2021 Governance Review recommended the Foundation establish a clearer separation between executive (staff) and non-executive (trustee) responsibilities and review and update its policies and controls. In response the Board ringfenced a budget from its free reserves for the review and transition of its people, governance, systems, and processes. With the support of a specialist change consultant and now the appointment of the charity's first chief executive from 1 April 2023, the Foundation has fully refreshed its internal working practices and structures and begun reviewing its purpose and vision.

In 2022 – 23 the Trustees focused their work on four main areas:

- Organisation Transition
- Governance Development
- Major Projects
- Schools Support

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

- a. **Organisation Transition** - This 9-month programme delivered:
- a. An assessment and update of the organisation's financial controls and processes.
 - b. Review of the Foundation's investments to support completion of the current major building programmes and existing financial commitments.
 - c. Refreshed IT systems and working protocols.
 - d. A depth review of the organisation's HR policies establishing a new staff handbook and contracts.
 - e. A new staff structure to take the Foundation forwards from 1 April 2023 while a new strategy is established and to facilitate succession for two retiring staff.
- b. **Governance Development** – Alongside the organisation transition, the Foundation gave attention to the governance recommendations of the 2021 Governance Review and good practice guidance within the Charity Governance Code, including:
- Review of Board composition including a skills and diversity audit.
 - Appointment of five new trustees (three nominative, two co-opted) allowing the Board to diversify its profile - moving from 80% white at the start of the year to 69% white and 31% from a wider range of ethnic backgrounds, recruiting more trustees aged 30 -50 and increasing the number of women on the Board from 27% to 38% during the year.
 - Succession planning for two further nominative trustee vacancies which will arise later in 2023.
 - Review and refresh of trustee recruitment and pre-appointment practices, an updated induction handbook and introduction of 1:1 induction session to support new trustees into the Foundation.
 - Realignment of committee structures, delegated authorities and terms of reference.
 - Engagement of a specialist minutes secretary for 6 months to support Board and Committee meetings releasing staff and trustee time for wider transition work.
 - Development of a trustee training plan for 2023-24.
 - Strengthening the relationship and collaboration with the nominating bodies to attract and engage trustees with skills, experience and backgrounds which the Foundation needs.

In addition, a conversation has been initiated on the Foundation's role in appointing the majority of governors at both schools and how it can strengthen the support it gives both governing bodies. Work to review the Foundation's role in the appointments process for new governors and confirming reappointments will continue in 2023-24.

- c. **Major Projects** have been a key part of the Foundation's support to both schools in recent years. The sale of land and buildings owned by the Foundation over several years created the unexpected opportunity for significant investment in the infrastructure of both schools. The two current programmes will conclude this period of major investment.

The Boys' School Project – being the substantive funder for the extensive redevelopment and refurbishment of the Boys' School has been a critical Foundation programme over the last 10 years. The final phase will be open for the new academic year in September 2023. It includes a partly sunken sports hall with improved changing facilities, a newly landscaped large two-level outside courtyard, the repurposing of spaces for art classrooms and music practice rooms and the beautiful restoration and refurbishment of the old chapel space to be a performing arts centre.

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The Boys' School has already been able to extend its student numbers knowing these new facilities will be added to their teaching and activities offer widening the impact of a school with a reputation of academic excellence to reach even more boys in Islington. This overall project has been a significant undertaking by the Foundation and the Boys' School to carefully restore the historic school site, create a learning environment which inspires and a school campus that reflects and supports our shared commitment to educational excellence.

Image 1: Boys' School
Courtyard - Before



Image 2: Boys' School Courtyard - Vision

Image 3: Boys' School Courtyard -
Now



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The Girls' School Sixth Form Project is in its design phase. The school provides a highly valued sixth form education offer. In recent years they have been at full capacity and unable to accommodate all the students who want to continue their studies to A' level at the school. In 2022-23 the Girls' School and the Foundation started planning for an extension to the sixth form building to enable provision to be increased both in number of students and the range of subjects available. The Foundation has approved the progression of the programme to the detailed planning stage, drawing on funding set aside to support the school. This exciting initiative will be developed to a full proposition in 2023-24. It is hoped work will commence by the end of 2024 and by September 2026 will add 80-100 further opportunities for students to study at sixth form level within the Tower Hamlets community.

d. Schools Support

Dulwich Grants are a critical part of the annual funding for both schools. In 2022-23 £757,041 was made available to the schools.

The Boys' School used these funds to support five main areas of its offer which would not otherwise be available to students. This included continuing its exceptional music provision where over a quarter of the School is involved in the Music School, either singing in a choir or as part of their extensive instrumental offer. The Dulwich Grant helped meet the cost of eight music tutors (covering woodwind, strings, piano, brass, drums, singing and guitar). Extending and improving sporting provision is part of the development plan for the School. The Grant allowed the school to maintain a full time PE administrator and continue to rebuild sporting provision post Covid. It also allowed expansion of extra-curricular sports provision and running football camps in school holiday periods.

The opportunity for students to learn outside of school, both abroad and in the UK, is valued by the Boys' School and is only possible with the Dulwich Grant. An impact of Covid-19 was that fewer school trips had been organised in the previous 3 years so in 2022-23, the Grant allowed a range of both local and international trips to be hosted. The Dulwich Grant also provided funding to continue the extended school day programme which is provided free of charge to parents and part-funded a Social Mobility Programme for students with the potential to study at Oxford, Cambridge and other leading universities and a Central Futures Programme that aims to help students secure work experience, apprenticeship or employment.

At the Girls' School the Dulwich Grant responded to three priority needs at the school. Recruiting quality staff, particularly in shortage areas is increasingly difficult so the Girls' School used the Dulwich Grant to on board two Teach First candidates in Maths and Geography and provide them with a training year and their ECT1 year, so they can gain Qualified Teacher Status. This added capacity and the potential for succession planning to the school teaching staff team. The Girls' School continues to strengthen its raising achievement agenda through a range of targeted interventions and support. In 2022-23 the Dulwich Grant funded a wide-ranging programme of support including funding a staff post offering in-school counselling and providing learning mentors to students in need of support at Key Stage 3, 4 and 5 students. As over 40 % of parents in London pay for their children to have private tutoring at some point in their secondary education, which the majority of Girls' School parents cannot afford, the school, working with Queen Mary University, also used the Dulwich Grant to

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provide students with free access to an undergraduate tutor where additional help is needed. The final priority the Dulwich Grant funded focused on broadening students' horizons and cultural capital by enabling them to participate in a variety of experiences outside the curriculum. This included a performance and creative arts curriculum, an extra-curricular programme offering after school activities every weekday and extensive holiday programmes for Years 7-13. Although open to all students who have the highest levels of deprivation or those with social or emotional needs are particularly supported.

Foundation Bursaries and Awards are a continuing part of the Foundation's direct work with both schools. In 2022-23 the Foundation provided bursaries, awards and financial assistance to the Schools directly as well as through the annual distribution of funds from the Dulwich Estate. The annual Prize Giving at the Girls' School and Founder's Day at the Boys' School, supported by the Foundation, gave the opportunity for students to be recognised and celebrated.

In 2022-23 the Foundation started to review the funds it holds for bursaries and awards and how these are used. With the new strategy it expects to take the opportunity to review and potentially refresh the approach in line with current and emerging needs in collaboration with the Schools and their governing bodies.

Case Study: Boys' School Bursaries

SITUATION: Return of public examinations for Year 13 cohort leaving in summer 2022, and widespread financial challenges facing the boys and their families.

SUPPORT: The Foundation's bursary support enabled the Boys' School to recognise ten students who had performed exceptionally well in their qualifications for their results, their attendance and punctuality, or their overall attitude to learning. The awards were made to students in need of financial assistance and will support them in pursuing the post-18 destinations of their choice.

School Buildings require ongoing maintenance, which falls to each school and local authority to cover. The Foundation has a supporting commitment alongside the respective local authorities, to contribute to each school for their annual buildings and maintenance support costs which continued in 2022-23. In addition, the Foundation provided funding support to the Girls' School to aid in meeting their PFI commitments.

School Governing Bodies have professional clerking support, and as part of its role in ensuring the effective governance of the two schools the Foundation contributes to these costs. A review of how the Foundation can best support the governing bodies to be effective and oversee excellence in the full education experience at each school is expected to inform the funding and nature of supporting activities for governing body in 2023-24.

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Speakers and Visits are part of the wider opportunities offered by both schools. In 2022-23 members of the Foundation Board offered their time and connections to broaden this programme. Opportunities arranged in 2022-23 included a visit to the Royal College of Needlework for a group from the Girls' School and a number of visiting speakers for each school.

Additional Support is provided from time to time on an exception basis. For example, as the financial year ended, discussion had started with both schools about possible additional support for students sitting their A' levels who had not previously had the experience of public exams due to the Covid impact on assessments.

Case Study: Role Models

SITUATION: Students from all backgrounds need to see people like themselves in professional and public life to inspire and raise their aspirations.

SUPPORT: One of the Foundation's trustees collaborated with both schools to give students access to visits and speakers.

OUTCOME: The newsreader, journalist and author Fatima Manji spoke to a group of Year 10, 12 and 13 students. Students from the Girls' School working on a podcast were granted an interview with Fatima and received advice and feedback to encourage them in their journey. Students shared how Fatima's talk had touched them – from experiences in the Afghanistan War or the daughter of a former Saudi Royal Family member reaching out to her to share how she and her sisters and mother were kept locked up.

"It gives us a different perspective (which) can then be used in later education and can further influence young people who want to achieve the success she has." Girls' School Student

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FUTURE PLANS

With the opening of the new Boys' School facilities ready for 2023-24 academic year and development of the Girls' School Sixth Form project progressing, the Foundation is taking the opportunity to step back and consider its longer-term vision and purpose. In April 2023 a Board and Staff Away Day initiated the conversation on the future priorities of the organisation.

Five key areas of focus have been established by the Board for the year ahead:

1. **Strategy:** Establish a new 3-year strategy and supporting plan for the Foundation.
2. **People:** Successfully complete the planned staffing transition and agree the future people resources for the Foundation to support the implementation of the new strategy.
3. **Finance:** With the substantial capital investments with both schools in recent years, undertake a review of the performance and future requirements for our endowments and investments, and supporting financial policies.
4. **Relationships:** Further strengthen relationships with both Schools exploring how the Foundation ensures excellence in education and opportunities for its students and supports an effective governing body at each school.
5. **External Engagement:** Review and strengthen the external relationships and profile of the Foundation, including relationships with funders and nominating bodies, and consciously develop the external profile on the impact and work of the Foundation.

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FINANCIAL REVIEW

The financial statements have been prepared in accordance with the accounting policies set out on pages 25 to 27 therein and comply with the charity's scheme, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS102).

The Foundation has continued to operate on a sound financial basis, despite investment market pressures in 2022-23, and transition of assets from investments to land and buildings through the major Boys' school building project.

Financial Policies

As part of the transition programme, in 2022-23 the Foundation completed a full review of its financial controls, banking and investment structures and updated its financial practices.

Expenditure

Grants and overall support totalling £1.44m were made in the year to the two schools. The expenditure in direct support to the schools is summarised below:

Support to schools	£'000	£'000	£'000
	Boys'	Girls'	Total
	School	School	
Grants to schools *	367	937	1,304
Premises costs	20	-	20
Awards & prizes	24	27	51
Support costs	30	9	39
Other costs	21	4	25
Total	462	977	1,439

*This amount includes a grant to the Girls' School to fund the capital element of a PFI contract.

The drawdown of funds for the Boys' School building project continued through 2022-23. With a total expected cost of £41m, of which £33m is being funded by the Foundation. In the year £11,276,000 was funded.

Fixed Assets

Details of the Foundation's tangible fixed assets are disclosed in note 10 to the accounts.

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Investment Policy

The overall objectives of the investment portfolio(s) are to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The trustees currently delegate the management of the Foundation's investments to three investment managers while retaining overall responsibility for managing the portfolio. Trustees review the investment strategy annually with the Investment Committee and Fund Managers to ensure the Foundation can achieve its short- and medium-term goals and confirm decisions made by the Fund Managers are within agreed levels of risk and ethical considerations. Specifically, the trustees preclude investment in tobacco companies, and asks its investment managers to demonstrate that they monitor Environmental, Social and Governance (ESG) factors and actively engage to promote improved management of ESG risks. In addition, the Foundation's policy sets out any specific portfolio requirements, particularly relating to the Boys' and Girls' School ringfenced funding.

Investment Overview

Each investment portfolio has clearly designated goals and, where appropriate, separate goals for designated funds. The Investment Committee met with the Investment Fund Managers during the year to discuss and monitor performance, current positioning and outlook based on our key investment goals. The impact of the war in Ukraine, escalating energy bills, the change in government leadership and September Budget as well as the cost-of-living crisis and the rising rate of inflation all had an impact on the Foundation's endowments and investment portfolios.

In 2022-3 the Foundation drew down the full value of the ring-fenced fund allocated to support the Boys' School Project and, as agreed with the Charity Commission, released a further portion of its permanent endowments to fund the balance. Our Fund Managers worked in partnership with us to create a smooth drawdown path to minimise the risk of losses from our portfolio. Briefly:

1. Rathbones main portfolio to be invested to generate returns guarding against erosion by inflation over the medium to long term. By agreement, the portfolio is managed with a medium risk profile and generates a monthly income for the day to day running costs and regular Foundation funding commitments.

In addition, Rathbones managed the Foundation's account for the Boys' School Redevelopment project to meet scheduled funding commitments with minimal risk to the capital value. That portfolio was managed with a low risk profile.

2. JM Finn manages the Foundation's portfolio to generate monthly income based on a medium risk profile and to support some capital growth. They also manage a number of ringfenced funds in line with the income and reinvestment requirements defined by the Foundation.
3. Veritas support the Foundation's longer term investment growth strategy. Their portfolio objectives focus on generating returns on a 5-year rolling view with emphasis on capital growth, drawing a small income quarterly, with an agreed risk profile of medium-high.

Details of the value and income from the Foundation's investments and endowments are disclosed in notes 11 and 14 to the accounts.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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Reserves Policy

As stated above, in the Investments policy the trustees aim to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The trustees consider it prudent to have a blend of funds invested for growth and medium-term investments which create a continuous income for the Foundation. In addition, the Foundation manages its level of liquid assets to meet its ongoing funding needs for at least 6 months.

Following the 2021 Governance Review, the trustees agreed an investment in 2022-23 of up to £50,000 from the Foundation's reserves for the transition and transformation of the charity's operation and governance and make it fit for purpose for the 21st century. Looking ahead to 2023-24 to allow a period of dual running for staff transition, handover and the development of the new strategy, an additional allowance of £25,000 has been set aside. From April 2024 it is the intent of the Board to revert to all day-to-day operating expenses being fully funded by income from our investments.

Each year the application of the Foundation's Reserves policy considers the agreed commitments, and how these are drawdown against endowment, restricted and unrestricted funds. With the significant committed investment for the Boys' and Girls' Schools' infrastructure currently, the Foundation is intentionally applying part of its endowments towards the ongoing capital works (following Charity Commission approval) as well as some of its restricted and unrestricted funds. An additional injection of funds from the sale of the land adjoining the Boys' School has supported the completion of this work. Finally, the Foundation agreed to dispose of a small rental property in Islington which was no longer fulfilling its intended purpose. This is expected to be completed in late summer 2023 and will be added to the Foundation's investments to increase the asset value from which annual income can be drawn.

It is the intention of the trustees to review its funding goals and reserves policy in light of the review of its purpose and strategy and appropriately adjust its investment portfolio and reserves policy.

See note 14 (analysis of charitable funds).

Reserves Overview

The unrestricted funds available to the Foundation not designated for existing activity at the end of 2022 – 23 is £9,986,000 (2021, £9,921,000).

Fundraising

The Charity does not conduct any direct fundraising activity. From time to time the Foundation has received legacies from former students and will continue to welcome these to enhance the support offered to both schools. A joint Committee between the Foundation, the Boys' School and the Girls' School looks at fundraising and profile-raising opportunities.

The Boys' School has established a capital project to raise funds towards the final phase of the Boys' School redevelopment. The Foundation is working closely with their recently appointed Director of Fundraising. £300,000 was secured from the Roy Bard Foundation to fund the equipping of the new performance space in the refurbished old chapel building. A target of a further £625,000 has been set with the School and will be a priority focus in 2023-24.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is a Charity (charity number 312695) founded by a Trust Deed in February 1891 which has been amended over subsequent years and now operates under the 2010 Scheme of the Charity Commissioners, as amended by the Scheme dated 28 June 2018.

In 2018 the trustees passed a resolution to amend its governing document to allow for the appointment of a sole corporate trustee. The Charity Commission confirmed approval to appoint CFSL Trustee Limited as the sole corporate trustee of the Foundation on 1 July 2018. The sole corporate trustee, called CFSL Trustee Limited, is constituted as a non-charitable company limited by guarantee (company number 11294870). The directors of the corporate trustee act as the Board of Trustees of the charity and are referred to as such throughout this report.

Our Charitable Objects

The object of the Foundation is *to advance the education (including the social and physical education) of persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools – The Central Foundation Boys' School in the London Borough of Islington and the Central Foundation Girls' School in Bow, London.*

Structure and Relationships with Schools

Each school has its own Governing Body to which the Foundation appoints the majority (ten) of Governors. Three Governors from each school serve as trustees on the Foundation Board. The Foundation contributes to the costs of a clerk to support each Board of Governors.

Trustees

The Foundation's Board of Trustees comprises up to 18 individuals - 8 appointed by nominating bodies¹ and 10 a by the Board as co-opted trustees. As of 31 March 2023, there was one nominative vacancy and one co-opted vacancy.

The nominating bodies identify and propose new trustees to the Foundation Board, working with the recently formed People & Nominations Committee to consider the skills, experience, and diversity profile the Board most needed. Co-opted trustees are selected for their specific knowledge to keep a balance of skills within the Board. As well as three Foundation Governors from each school, the Board also seeks to include at least one former student from one of the Central Foundation Schools who has achieved highly in their business lives.

¹ University of London (2), London Chamber of Commerce (1), City of London Corporation (1), Wardmote of the Ward of Bishopsgate (1), Bank of England (1), Dulwich Estate (1), Vestry of the Parish of St Botolph's Bishopsgate (1).

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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Organisation Management

The Board of Trustees has oversight of the finances, staff, properties and investments of the Foundation. In July 2023 the Foundation appointed a specialist consultant to lead the Transition programme.

In line with the Governance Review recommendations, the Board reviewed the size and composition of its staff function. This included succession planning for the retirement of two highly committed, long serving staff who want to retire in October 2023. A new staff structure was agreed to take effect from 1 April 2023. It gives clear executive leadership and provides strong financial management and governance support, while ensuring a smooth transition for the retiring staff midway through the next financial year.

The Board also realigned its own work and focus with more time available to set and ensure delivery of the new strategy, balanced with its oversight and compliance role. This included reviewing the supporting Committee structures and regular meeting cycle. The Board is now supported by three formal committees – People and Nominations, Investment Committee, and by a Finance and Audit Committee which has picked up the risk management and audit oversight from previous Compliance, Audit and Risk Committee. The streamlined meeting cycle means the Board and all Committees now meet quarterly, with Committees timed so they formally report to the Board each cycle. Alongside the formal governance committees, the Foundation continues to collaborate with both schools on fundraising and alumni relationship development through a Fundraising and External Communications Committee which meets termly. The Foundation also sits on the Project Board for the Boys' School redevelopment project, for which the Foundation is the key funder. This positive project set up will be replicated, with all the learning from the Boys' School experience, as the Girls' School start their major building project in 2024.

Risk Management

The trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise in each of these areas. In the opinion of the trustees, the Foundation has established the resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day-to-day operations.

The Foundation's principal assets comprise land, buildings and listed investments, the value of which is dependent on movements in the UK and overseas stock markets. The investments are managed by reputable professional investment managers who adhere to a policy agreed by the trustees and the Investment Committee. Regular meetings are held with the investment managers and their performance and that of the portfolio are monitored by the Foundation.

Principal Risks and Uncertainties

The trustees have put in place an annual review process, working through the committees, to revisit and update their risk management strategy. The principal risks considered over the last 12 months include:

- Financial controls and banking management.
- Financial market volatility and the impact on the Foundation's endowments and investments.
- Clarity of the Foundation's future purpose and structure.
- The Foundation's supporting infrastructure and resources (people, financial and process).
- Future changes in Education and the role of the Foundation.

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REFERENCE AND ADMINISTRATIVE DETAILS

Patron	The Lord Mayor of the City of London	
Trustees	CFSL Trustee Limited (company registration number 11294870) is the sole corporate trustee of the charity.	
	The Directors of the corporate trustee during the year were:	
	Clive Arding	
	Revd David Armstrong	
	Dami Ayeko	Appointed 13 October 2022
	Jasmine Boadie	Resigned 31 July 2022
	Keith Bottomley	Resigned 13 October 2022
	Stephen Brown	Chair
	Avril Calder	Appointed 5 May 2022
	Simon Dodds	
	Hilary Evenett	Appointed 13 October 2022
	Barrington Gooden	
	Susanna Griffiths	Resigned 7 September 2023
	Madush Gupta	Appointed 13 October 2022
	Robert Howard	
	George Kegler	Retired 29 May 2023
	Dilnaz Khambata	
	Robert Maas	Retired 31 December 2022
	Joanna Plesniak	
	Amandeep Rehlon	Appointed 13 October 2022
	Francis Sumner	Retired 8 December 2022
	Mike Yershon	
Chief Executive and Company Secretary	Sarah Gosling	
Registered charity number	312695	
Company number	11294870	
Address	Central Foundation Trustees Office Central Foundation Boys' School Cowper Street London EC2A 4SH	

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL	Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Bankers	Barclays Bank PLC Level 27 1 Churchill Place London E14 5HP		Veritas Investment Partners (UK) Ltd Riverside House 2a Southwark Bridge Road London SE1 9HA
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE		J M Finn & Co 25 Copthall Avenue London EC2R 7AH

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors of the corporate trustee ('the trustees') are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

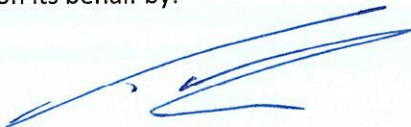
Charity law requires the charity trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these accounts, 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 accounts;
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts & Reports) Regulations 2008, and the provisions of the constitution. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the Board on 5 OCTOBER 2023

and signed on its behalf by:



Trustee

STEPHEN BROWN

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Opinion

We have audited the financial statements of The Central Foundation Schools of London (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including the principal 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 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The trustee is responsible for the other information. 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.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the directors of the corporate trustee ('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

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.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to relevant financial reporting standards and the Charities Act 2011; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and representatives from those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested the authorisation of expenditure as part of our substantive testing thereon.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of trustee meetings; and
- enquiring of management and those charged with governance as to actual and potential litigation and claims.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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.

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
INCOME						
Donations and legacies						
Dulwich Estate	2	535	-	-	535	757
Legacy		-	-	-	-	665
Donation		-	300	-	300	-
Investment income						
Rental income	3	4	-	-	4	5
Bank and other interest		5	-	-	5	-
Dividend income		873	25	-	898	867
Other income						
Surplus on disposal of Cowper Street corner site		-	-	4,661	4,661	-
Total income		<u>1,417</u>	<u>325</u>	<u>4,661</u>	<u>6,403</u>	<u>2,294</u>
EXPENDITURE						
Cost of raising funds						
Investment management fees	4	39	4	176	219	213
Charitable activities						
Support to schools	5, 6	1,477	3	833	2,313	2,199
Total expenditure		<u>1,516</u>	<u>7</u>	<u>1,009</u>	<u>2,532</u>	<u>2,412</u>
Net income (expenditure) before gains on investments		(99)	318	3,652	3,871	(118)
Revaluation of investment property	10	-	-	-	-	550
Net deficits/gains on investments	11	(317)	(132)	(2,797)	(3,246)	1,094
Net income and net movement in funds before transfers		<u>(416)</u>	<u>186</u>	<u>855</u>	<u>625</u>	<u>1,526</u>
Transfers between funds	14	-	(653)	653	-	-
Net movement in funds		<u>(416)</u>	<u>(467)</u>	<u>1,508</u>	<u>625</u>	<u>1,526</u>
Balances brought forward at 1 April 2022		<u>11,888</u>	<u>1,807</u>	<u>126,010</u>	<u>139,705</u>	<u>138,179</u>
Balances carried forward at 31 March 2023		<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>	<u>139,705</u>

The notes on pages 25 to 37 form part of these accounts.
Detailed comparative information is provided in note 15.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
BALANCE SHEET
YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
FIXED ASSETS						
Tangible assets	10	-	-	106,220	106,220	97,230
Investments	11	2,856	724	26,020	29,600	42,388
Total Fixed Assets		<u>2,856</u>	<u>724</u>	<u>132,240</u>	<u>135,820</u>	<u>139,618</u>
CURRENT ASSETS						
Debtors	12	571	-	-	571	27
Cash at bank and in hand		<u>10,311</u>	<u>616</u>	<u>(4,722)</u>	<u>6,205</u>	<u>1,291</u>
Total Current Assets		10,882	616	(4,722)	6,776	1,318
CURRENT LIABILITIES						
Creditors	13	<u>(2,266)</u>	-	-	<u>(2,266)</u>	<u>(1,231)</u>
NET CURRENT ASSETS		<u>8,616</u>	<u>616</u>	<u>(4,722)</u>	<u>4,510</u>	<u>87</u>
TOTAL NET ASSETS		<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>	<u>139,705</u>
<i>THE FUNDS OF THE CHARITY:</i>						
PERMANENT ENDOWMENT FUNDS	14	-	-	127,518	127,518	126,010
RESTRICTED FUNDS	14	-	1,340	-	1,340	1,807
UNRESTRICTED FUNDS	14					
General operational fund		9,986	-	-	9,986	9,922
Designated fund		<u>1,486</u>	-	-	<u>1,486</u>	<u>1,966</u>
TOTAL FUNDS		<u>11,472</u>	<u>1,340</u>	<u>127,518</u>	<u>140,330</u>	<u>139,705</u>

Approved by the trustee on

5 OCTOBER 2023

and signed on its behalf by:



Director of CFSL Trustee Limited

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(420)	(243)
Cash flows from investing activities:			
Dividends and interest from investments		907	872
Proceeds from the disposal of investments		13,063	6,383
Purchase of investments		(4,742)	(24,344)
Purchase of fixed assets		(6,161)	(5,763)
Net cash generated by (used in) investing activities		<u>4,113</u>	<u>(22,852)</u>
Change in cash and cash equivalents in the year		(3,693)	(23,095)
Cash and cash equivalents at 1 April 2022	B	3,470	26,565
Cash and cash equivalents at 31 March 2023	B	<u>7,163</u>	<u>3,470</u>

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2023:

A. Reconciliation of net movement in funds to net cash used in operating activities

	2023 £'000	2022 £'000
Net movement in funds (as per the statement of financial activities)	625	1,526
Adjustments for:		
Surplus on disposal of fixed assets	(4,661)	-
Depreciation charge	786	801
Gains on investments	3,246	(1,644)
Dividends and interest from investments	(907)	(872)
(Increase) decrease (increase) in debtors	(544)	12
Increase (decrease) in creditors	1,035	(66)
Net cash used in operating activities	<u>(420)</u>	<u>(243)</u>

B. Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	6,205	1,291
Cash held by investment advisors	958	2,179
Total cash and cash equivalents at 31 March 2023	<u>7,163</u>	<u>3,470</u>

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless stated in the relevant accounting policies below or notes to the accounts. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and 2022.

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

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include estimating the useful economic life of tangible fixed assets.

c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2023, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' Report for more information).

d) Income recognition

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

d) Income recognition (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.

Gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

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

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.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. The classification between activities is as follows:

- Cost of raising funds comprises investment management fees incurred in generating investment income and capital appreciation.
- Expenditure on charitable activities includes all costs associated with the provision of support to the schools and where appropriate individual students and former students and include both the direct costs and governance costs relating to these activities.

Grants payable are included in the financial statements once a constructive or legal obligation exists.

f) Tangible Fixed Assets and Depreciation

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been deemed to be cost.

Subsequent additions costing more than £1,000 are included at cost. The Foundation is responsible for contributing towards the upkeep of the original buildings at the Boys' School and Girls' School in a fit and useful condition, and such costs are written off as incurred.

Freehold buildings are depreciated at a rate of 2% per annum on a straight-line basis. No depreciation is charged in respect of freehold land.

Office equipment costing more than £1,000 is included at cost and depreciated at a rate of 25% per annum on a straight-line basis.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

g) Investments

Listed investments 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

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

l) Pensions

The Foundation makes contributions to employees' personal pension plans. Contributions are charged to the SOFA when payable.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2023	Total funds 2022
	£'000	£'000	£'000	£'000	£'000
Dulwich estate	535	-	-	535	757
Legacy	-	-	-	-	665
Donation	-	300	-	300	-
2023 Total funds:	535	300	-	835	1,422
	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	£'000	£'000	£'000	£'000	
<i>Dulwich estate</i>	757	-	-	757	
<i>Legacy</i>	-	665	-	665	
<i>2022 Total funds:</i>	<i>757</i>	<i>665</i>	<i>-</i>	<i>1,422</i>	

3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2023	Total funds 2022
	£'000	£'000	£'000	£'000	£'000
Rental income	4	-	-	4	5
Bank and other interest	5	-	-	5	-
Dividend income	873	25	-	898	867
2023 Total funds	882	25	-	907	872
	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	£'000	£'000	£'000	£'000	
<i>Rental income</i>	5	-	-	5	
<i>Bank and other interest</i>	-	-	-	-	
<i>Dividend income</i>	854	13	-	867	
<i>2022 Total funds</i>	<i>859</i>	<i>13</i>	<i>-</i>	<i>872</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

4. COST OF RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
Investment management fees	31	4	176	211	207
Investment property costs	8	-	-	8	6
2023 Total funds	39	4	176	219	213

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total funds 2022 £'000
Investment management fees	20	15	172	207
Investment property costs	6	-	-	6
<i>2022 Total funds</i>	<i>26</i>	<i>15</i>	<i>172</i>	<i>213</i>

5. CHARITABLE ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2023 £'000	Total funds 2022 £'000
Support to schools (note 6)	1,388	3	47	1,438	1,341
Depreciation charge (note 10)	-	-	786	786	800
Governance costs (note 7)	89	-	-	89	58
2023 Total funds	1,477	3	833	2,313	2,199

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000
<i>Support to schools (note 6)</i>	<i>1,302</i>	<i>6</i>	<i>33</i>	<i>1,341</i>
<i>Depreciation charge (note 10)</i>	<i>-</i>	<i>-</i>	<i>800</i>	<i>800</i>
<i>Governance costs (note 7)</i>	<i>58</i>	<i>-</i>	<i>-</i>	<i>58</i>
<i>2022 Total funds</i>	<i>1,360</i>	<i>6</i>	<i>833</i>	<i>2,199</i>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

6. SUPPORT TO SCHOOLS

	2023			2022		
	Boys' School £'000	Girls' School £'000	Total £'000	Boys' School £'000	Girls' School £'000	Total £'000
Grants to Schools						
Staff costs	18	3	21	19	1	20
Direct grants	349	454	803	286	599	885
Girls' School PFI payment	-	480	480	-	290	290
Total	367	937	1,304	305	890	1,195
School Premises Costs						
Other costs	20	-	20	62	-	62
Awards and Prizes						
Bursaries	21	26	47	15	18	33
Bendy awards	3	-	3	6	-	6
Total	24	26	50	21	18	39
Support costs						
Staff costs	30	9	39	9	3	12
Other costs						
Printing, stationery, postage, telephone	5	1	6	11	3	14
Computer support	7	2	9	8	2	10
Insurance	-	-	-	3	1	4
Website	-	-	-	4	1	5
Legal and professional	7	-	7	-	-	-
Transition costs	2	1	3	-	-	-
Total	21	4	25	26	7	33
2023 Total funds	462	976	1,438	423	918	1,341

7. GOVERNANCE COSTS

	2023 £'000	2022 £'000
Auditor's remuneration for audit	18	17
Trustee indemnity insurance	4	2
Professional fees	14	4
Governance Review	2	-
Staff costs	51	35
2023 Total funds	89	58

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

8. TOTAL STAFF COSTS – INCLUDED IN NOTES 6 & 7

	2023	2022
	£'000	£'000
Salaries	64	67
Social security costs	5	4
Pension costs	3	3
Consultancy costs	56	-
	128	74

The average number of direct employees in the year was 2 (2021 - 2), neither of whose emoluments exceeded £60,000. The Foundation also engaged an external consultant in year and pay the costs of part-time clerks to the Boys' and Girls' Schools.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The trustees consider that they comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day-to-day basis.

No trustees received any remuneration during either the current or preceding financial year. No Trustee received travel expenses during the current or preceding financial year.

10. TANGIBLE FIXED ASSETS

	Office Equipment £'000	Freehold Property £'000	Assets under construction £'000	2023 Total £'000
Cost or valuation				
As at 1 April 2022	5	73,497	29,907	103,409
Additions	-	-	11,276	11,276
Disposals	-	(1,500)	-	(1,500)
As at 31 March 2023	5	71,997	41,183	113,185
Depreciation				
As at 1 April 2022	4	6,175	-	6,179
Charge for year	1	785	-	786
As at 31 March 2023	5	6,960	-	6,965
Net book value				
As at 31 March 2023	-	65,037	41,183	106,220
As at 31 March 2022	1	67,322	29,907	97,230

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been treated as deemed cost.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

11. INVESTMENTS AT MARKET VALUE

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000	2022 Total £'000
Listed Investments	25,070	2,300	722	28,092	39,659
Dealing Account	950	6	2	958	2,179
Investment property	-	550	-	550	550
	<u>26,020</u>	<u>2,856</u>	<u>724</u>	<u>29,600</u>	<u>42,388</u>

SUMMARY OF SHARES AND OTHER SECURITIES

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000
As at 1 April 2022	35,842	2,616	1,201	39,659
Additions	4,031	414	297	4,742
Disposals	(12,005)	(414)	(644)	(13,063)
Realised and unrealised losses	(2,798)	(316)	(132)	(3,246)
As at 31 March 2023	<u>25,070</u>	<u>2,300</u>	<u>722</u>	<u>28,092</u>

COST OF INVESTMENTS

31 March 2023	<u>24,410</u>	<u>1,950</u>	<u>592</u>	<u>26,952</u>
<i>31 March 2022</i>	<u>33,130</u>	<u>1,894</u>	<u>584</u>	<u>35,608</u>

SUMMARY OF INVESTMENT PROPERTY

	2023 £'000
As at 1 April 2022	550
As at 31 March 2023	<u>550</u>

12. DEBTORS

	2023 £'000	2022 £'000
Prepayments	545	5
Accrued income	26	22
	<u>571</u>	<u>27</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

13. CREDITORS

	2023 £'000	2022 £'000
Trade creditors	123	64
Other creditors	-	-
Accruals	2,143	1,167
	<u>2,266</u>	<u>1,231</u>

14. ANALYSIS OF CHARITABLE FUNDS

	<i>At 1 April</i> 2022 £'000	Income £'000	Resources expended £'000	Gains on investments £'000	Transfers between funds £'000	At 31 March 2023 £'000
Permanent						
Endowments						
Dulwich Estate	9,219	-	(14)	(335)	-	8,870
Newman Trust	2	-	-	-	-	2
Mrs Irene Buckman	20	-	-	-	-	20
Boys' School Fund	6,047	-	(11)	(144)	(5,892)	-
Girls' School Fund	9,224	-	(42)	(1,168)	-	8,014
Capital Growth Fund	6,674	-	(72)	(201)	(450)	5,951
Investment Property Fund						
City Road	7,562	-	(31)	(786)	(1,942)	4,803
College Terrace	2,019	-	(7)	(163)	-	1,849
Sale of Cowper Street Corner site	-	4,661	-	-	(839)	3,822
Bursaries & Prizes	961	-	(48)	-	-	913
Land and buildings	84,282	-	(784)	-	9,776	93,274
Total endowments	<u>126,010</u>	<u>4,661</u>	<u>(1,009)</u>	<u>(2,797)</u>	<u>653</u>	<u>127,518</u>
Restricted funds						
Prizes and grants	156	2	-	(10)	-	148
Bendy	972	23	(6)	(102)	-	887
Newman Trust	3	-	-	-	-	3
Mrs Irene Buckman	4	-	-	(2)	-	2
Reginald Gray Portfolio	672	-	(1)	(18)	(653)	-
Roy Bard Foundation	-	300	-	-	-	300
Total restricted	<u>1,807</u>	<u>325</u>	<u>(7)</u>	<u>(132)</u>	<u>(653)</u>	<u>1,340</u>
General operational						
Fund	9,922	1,417	(1,036)	(317)	-	9,986
Designated funds	1,966	-	(480)	-	-	1,486
Total unrestricted	<u>11,888</u>	<u>1,417</u>	<u>(1,516)</u>	<u>(317)</u>	<u>-</u>	<u>11,472</u>
Total funds	<u>139,705</u>	<u>6,403</u>	<u>(2,532)</u>	<u>(3,246)</u>	<u>-</u>	<u>140,330</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

ENDOWMENT FUNDS

The Dulwich Estate permanent endowment was created by capital distributions from the Dulwich Estate totalling £5,705,600 received in 1996, 2000, 2012, 2013 and 2014. The income can be used for the general purpose of the Foundation.

Newman Trust was established in 1998 from a transfer of funds from The Bishopsgate Foundation. The fund is for the provision of prizes and to help and support needy pupils.

Mrs Irene Buckman, a former pupil of the Girls' School and a former governor and trustee, donated £16,667 in the year ended 31 March 2005, the income from which is to be used for girls who go on to higher education.

The Investment Property Fund represents the net proceeds from the sale of land bordering City Road, and land at College Terrace in Tower Hamlets. These form part of the permanent endowment, and the income can be used for the general purposes of the Foundation. With permission of the Charity Commission part of these funds have been drawn to fund the Boys' School Project and the funds spent to date transferred to the land and buildings endowment fund. The sale of the Cowper Street Corner Site represents the net proceeds from the sale of land bordering Cowper Street and Tabernacle Street in February 2023. The Charity Commissioners have directed that the net proceeds be included as part of the permanent endowment funds and granted permission for their use for Phase 2 of the Boys' School Project.

A Bursaries and Prize fund was created from the Endowment Funds as at 1 April 2018. The interest from these funds to be distributed to the two beneficiaries.

RESTRICTED FUNDS

The separate prizes and grants funds were merged with the Foundation under S74 of the Charities Act 1993 in 1996. The income and any accumulation of income is to be applied in promoting the education of the pupils attending the Boys' and Girls' Schools.

The Bendy fund was created in November 1999 by a legacy from a former pupil of the Central Foundation Boys' School, Mr Wilfred Bendy and Mrs Bendy. A Trustees Resolution under Section 275 of the Charities Act 2011 dated 18 June 2012 amended the purposes of the legacy to read:

To advance education in engineering, science, technology and mathematics by:

- 1) the provision of grants, bursaries, scholarships, prizes, financial assistance and provisions of equipment to students at the Central Foundation Boys' School (the "School") and to persons who have been students at the School (in relation to the latter, in order to assist them to continue their education at University or other place of learning or to undertake training with a preference for those who go on to study or undertake training in engineering or related subjects);

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023**

- 2) the provision of facilities, equipment and services at the School.
- 3) the establishment and provision for the benefit of students at the school of after school, or other out of hours, clubs, courses and extra-curricular activities:
- 4) the provision and facilitation for the benefit of students at the School of careers advice, work experience, mentoring and related activities with the aim of assisting and encouraging students to undertake further education or training in engineering, science, technology and mathematics.

The Newman Trust and Mrs Irene Buckman funds represent income from the endowments described above.

UNRESTRICTED FUNDS

The General operational fund represents the free funds of the Foundation which are not designated for particular purposes.

The designated funds represent reserves set aside by the trustees to cover the present value of the Foundation's commitment to the Girls' School PFI contract, together with the income generated from the Boys' School and Girls' School endowment funds, which has been set aside for use by the Schools.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

15. COMPARATIVE INFORMATION

Analysis of income and expenditure in the year ended 31 March 2022 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2022</i>
	£'000	£'000	£'000	£'000
<i>INCOME</i>				
<i>Donations and legacies</i>	-	665	-	665
<i>Dulwich Estate</i>	757	-	-	757
<i>Investment income</i>				
<i>Rental income</i>	5	-	-	5
<i>Bank and other interest</i>	3	-	-	4
<i>Dividend income</i>	854	13	-	867
<i>Total income</i>	<u>1,610</u>	<u>17</u>	<u>1,281</u>	<u>2,908</u>
<i>EXPENDITURE</i>				
<i>Cost of raising funds</i>				
<i>Investment management fees</i>	26	15	172	213
<i>Charitable activities</i>				
<i>Support to schools</i>	1,360	6	833	2,199
<i>Total expenditure</i>	<u>1,386</u>	<u>21</u>	<u>1,005</u>	<u>2,412</u>
<i>Net income before gains on investments</i>	230	657	(1,005)	(118)
<i>Revaluation of Property</i>	550	-	-	550
<i>Net gains on investments</i>	37	20	1,037	1,094
<i>Net income and net movement in funds</i>	<u>817</u>	<u>677</u>	<u>32</u>	<u>1,526</u>
<i>Reconciliation of funds</i>				
<i>Balances brought forward at 1 April 2021</i>	<u>11,070</u>	<u>1,130</u>	<u>125,979</u>	<u>138,179</u>
<i>Balances carried forward at 31 March 2022</i>	<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	<u>139,705</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2023

15. COMPARATIVE INFORMATION (CONTINUED)

Analysis of balance sheet at 31 March 2022 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2022</i>
	£'000	£'000	£'000	£'000
FIXED ASSETS				
<i>Tangible assets</i>	1	-	97,229	97,230
<i>Investments</i>	3,584	1,509	37,295	42,388
<i>Total Fixed Assets</i>	<u>3,585</u>	<u>1,509</u>	<u>134,524</u>	<u>139,618</u>
CURRENT ASSETS				
<i>Debtors</i>	27	-	-	27
<i>Cash at bank and in hand</i>	8,363	298	(7,370)	1,291
<i>Total Current Assets</i>	<u>8,390</u>	<u>298</u>	<u>(7,370)</u>	<u>1,318</u>
CURRENT LIABILITIES				
<i>Creditors</i>	(88)	-	(1,143)	(1,231)
<i>NET CURRENT ASSETS</i>	<u>8,302</u>	<u>298</u>	<u>(8,513)</u>	<u>87</u>
TOTAL NET ASSETS	<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	<u>139,705</u>
THE FUNDS OF THE CHARITY:				
PERMANENT				
<i>ENDOWMENT FUNDS</i>	-	-	126,011	126,011
<i>RESTRICTED FUNDS</i>	-	1,807	-	1,807
UNRESTRICTED FUNDS				
<i>General operational fund</i>	9,921	-	-	9,921
<i>Designated fund</i>	1,966	-	-	1,966
TOTAL FUNDS	<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	<u>139,705</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales - Charity number 312695

Accounts

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2022



Central Foundation Schools of London

Registered Charity No. 312695

Company No. 11294870

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Patron	The Lord Mayor of the City of London		
Trustees	CFSL Trustee Limited (company registration number 11294870) is the sole corporate trustee of the charity. The directors of the corporate trustee during the year were:		
	Clive Arding		
	Revd David Armstrong		
	Dami Ayeko	Appointed 13 October 2022	
	Jasmine Boadi	Resigned 31 July 2022	
	Keith Bottomley	Resigned 13 October 2022	
	Stephen Brown	Acting Chair from 8 July 2021	
		Appointed Chair 14 October 2021	
	Avril Calder	Appointed 5 May 2022	
	John Cruse	Resigned 24 March 2022	
	Simon Dodds	Appointed 2 December 2021	
	Hilary Evenett	Appointed 13 October 2022	
	Barrington Gooden		
	The Rev The Lord Griffiths of Pembrey and Burry Port	Chair to 8 July 2021	
		Retired 10 December 2021	
	Susanna Griffiths		
	Madush Gupta	Appointed 13 October 2022	
	Christopher Gurney	Resigned 28 January 2022	
	Robert Howard		
	George Kegler		
	Dilnaz Khambata		
	Robert Maas		
	Joanna Plesniak		
	Amandeep Rehlon	Appointed 13 October 2022	
	Francis Sumner		
	Mike Yershon		
Clerk to the Trustees	John Clark		
Registered charity number	312695		
Company number	11294870		
Address	Cowper Street, London EC2A 4SH		
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL	Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ
Bankers	Barclays Bank PLC Level 27 1 Churchill Place London E14 5HP		Veritas Investment Partners (UK) Ltd Riverside House 2a Southwark Bridge Road London SE1 9HA
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE		J M Finn & Co 4 Coleman Street London EC2R 5TA

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

The financial statements have been prepared in accordance with the accounting policies set out on pages 19 to 21 therein and comply with the charity's scheme, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland (FRS102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Foundation is a Charity (number 312695) founded by a Trust Deed in February 1891 which has been amended over subsequent years and now operates under the 2010 Scheme of the Charity Commissioners as amended by the Scheme dated 28 June 2018.

On the 26 February 2018, the Trustees passed a resolution pursuant to section 280 of the Charities Act 2011 to amend its current governing document (the scheme dated 21 May 2010, as amended) to allow for the appointment of a sole corporate trustee. This resolution was filed with the Charity Commission and the Register of Charities. The Charity Commission confirmed approval to appoint CFSL Trustee Limited as the sole corporate trustee of the Foundation on 1 July 2018. The sole corporate trustee, called CFSL Trustee Limited (which is constituted as a non-charitable company limited by guarantee) was incorporated on 5 April 2018 (company number 11294870).

Trustees

The Foundation has a sole corporate trustee, CFSL Trustee Limited. The Foundation is managed by the directors of the corporate trustee (referred to as 'the Trustees' throughout this report). The Board of Trustees comprises up to 18 individuals - 8 appointed by nominating bodies¹ and 10 appointed by the Board as co-opted Trustees. As of 31 March 2022 there was one nominative vacancy and one co-opted vacancy.

Trustees are either appointed by nominating bodies or invited to become co-opted Trustees. Those who are co-opted are selected for their specific knowledge to keep a balance of skills within the Board. On occasions they are former students of one of the Central Foundation Schools who have achieved highly in their business lives. In response to the Governance Review and recognising the significant disruption caused by the pandemic, towards the end of the year the Board agreed to establish a People and Nominations Committee. The remit of this new committee includes overseeing a review and refresh of trustee succession planning, recruitment, induction and development practices.

Organisation Management

The Board of Trustees administers the charity with responsibility for managing the finances, properties and investments of the Foundation on a day-to-day basis. The Board meets six times a year and is currently supported by four formal Board sub committees covering Finance, Investment, Compliance Audit & Risk, and a newly formed People & Nominations Committee: each meet regularly through the year.

¹ University of London (2), London Chamber of Commerce (1), City of London Corporation (1), Wardmote of the Ward of Bishopsgate (1), Bank of England (1), Dulwich Estate (1), Vestry of the Parish of St Botolph's Bishopsgate (1).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

A further committee formed in collaboration with Boys' and Girls' Schools is responsible for Fundraising (directly for the two schools) and External Communications. The Trustees receive no remuneration in respect of their duties.

The Foundation employs a Clerk/Bursar and an Administration Officer.

Structure and Relationships with Schools

The Foundation supports two schools in London – the Central Foundation Boys' School in Islington and the Central Foundation Girls' School in Tower Hamlets. Both schools are voluntary aided. Each school has its own Governing Body to which some Trustees of the Foundation are appointed as Governors. The Foundation pays the costs of part-time clerks at the Boys' and Girls' Schools who support each Board of Governors.

Risk Management

The Trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise in each of these areas. In the opinion of the Trustees, the Foundation has established resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.

The Foundation's principal assets comprise land, buildings and listed investments, the value of which is dependent on movements in the UK and overseas stock markets. The investments are managed by reputable professional investment managers who adhere to a policy agreed by the trustees and the Investment Committee. Regular meetings are held with the investment managers and their performance and that of the portfolio are monitored by the Foundation.

The Trustees maintain a Risk Register to which they add items which they consider significant, as and when they may arise. Annually, all Trustees are given a copy of the register and the Board consider whether there are additional items and whether the methods outlined for addressing risks are still appropriate.

Principal Risks and Uncertainties

The Trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise. In the opinion of the Trustees, the Foundation has established resources and review systems which, under normal conditions, allow the risks identified by them to be mitigated to an acceptable level in its day to day operations. Following the Governance Review, the Trustees plan to review and update their risk management strategy. The principal risks being considered within the review include:

- Financial market volatility and the impact on the Foundation's endowments and investments.
- Clarity of the Foundation's future purpose and structure.
- The Foundation's supporting infrastructure and resources (people, financial and process).
- Future changes in Education and the role of the Foundation.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

For over 150 years, the Central Foundation Schools of London has supported two schools. The Boys' School is based in Cowper Street, Islington and the Girls' School in Tower Hamlets. Today, the Foundation continues to benefit students at these two schools while also supporting the schools to strengthen their facilities and educational excellence for current and future students.

Our Charitable Objects

The object of the Foundation is to advance the education (including the social and physical education) of persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools – The Central Foundation Boys' School in the London Borough of Islington and the Central Foundation Girls' School in Bow, London.

The Foundation does this through:

- Providing items, services and facilities for the Schools.
- Furthering the education of students or former students of the Schools by the award of prizes.
- Giving grants, bursaries, or other payments to current or former students at one of the two Central Foundation Schools who are in financial need to enable them to continue their education or providing financial or other assistance to them to assist their entry into a profession, trade or calling or to enable them to travel abroad to pursue their education.

Public Benefit

In shaping our objectives for the year and planning our activities, the Trustees confirm they have considered the Charity Commission's guidance on public benefit, including the guidance "Public Benefit: Running a Charity (PB2)". The charity provides funding for facilities and services to two schools in inner London serving their local communities and makes available grants and assistance to individual students.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Despite the challenges presented by the pandemic over the last two financial years, the Foundation is pleased with the progress in achieving its key objectives for the financial year to 31 March 2022, and to set a strong basis for the future work and development of the organisation.

- a. **Capital support for the Central Foundation Boys' School** – the Foundation's most significant contribution in 2021-22, in line with its endowment and objectives, has been the project to enable the refurbishment and partial redevelopment of the Boys' School site.

Building work on phase 2 of the new Boys' School facilities started in May 2021. These further facilities will include a partly sunken sports hall with improved changing facilities, and the repurposing of spaces for art classrooms and music practice rooms. The work also includes essential repairs and installation of new fire escape provision.

As the financial year ended, discussions were under way for a final phase of works and funding for refurbishing the chapel space. The expectation is that this final stage of work will build on the

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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FOR THE YEAR ENDED 31 MARCH 2022**

school's thriving music department by adding classrooms and music practices rooms along with a hall for music and drama rehearsals and performances. This will also allow the Boys' School to continue to make facilities available for the community including the *Music in Secondary Schools Trust Orchestra* which rehearses in the school.

- b. **Bursaries and Assistance to Central Foundation Girls' School** – the Foundation has continued to provide bursaries, awards and financial assistance to the Central Foundation Girls' School directly and through the annual distribution of funds from the Dulwich Estate. In 2021-22 this included piloting the expansion of the School's computer science teaching provision to encourage further take up of this subject, in-school counselling and additional tutoring and support for key stage 3, 4 and 5 students. Funding also supported a variety of extra-curricular, cultural and sporting activities and part-funding of a student aspirations manager to continue to raise student aspirations.

In addition to the longstanding continued PFI contributions the Foundation makes to the Girls' School for their building development additional support of £1.3m was agreed in 2021. At the end of last financial year, the Foundation and the Girls' School also established a ring-fenced fund for capital development works by the Girl's School. During the year a number of options were explored and as the new financial year starts the Foundation is actively supporting the Girls' School to explore in depth the viability of one opportunity to expand its Sixth Form provision.

- c. **Assistance to Central Foundation Boys' School** – The Foundation continued to provide professional and financial assistance to the Central Foundation Boys' School (CFBS) directly and through the annual distribution of funds from the Dulwich Estate. The funding for 2021-22 was used for a range of activities including sustaining and delivery music tuition, extending and supporting sports, as well as re-establishing the programme of support students to undertake school trips through subsidies and continuing to offer extended school hours at no cost to parents.
- d. **Developing the Foundation** – In March 2021 the Board received the final report from the independent Governance Review it commissioned as the pandemic started. Through the year the Trustees have started to explore the work and purpose of the Foundation in the 21st century, review its Board composition and supporting governance structures and consider the implications for the organisation's resources.
- e. **Other developments** – The Foundation launched its new website on May 2021 as a tool to support the charity in exploring new funding sources for both schools and to raise the profile of its work.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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FOR THE YEAR ENDED 31 MARCH 2022**

Future Plans

The Foundation will continue to support the education of current and recent past pupils at the Central Foundation Boys' and Girls' schools. Significant focus will be on the successful completion of the extensive Boys' School building project which is due to be substantially completed by Summer 2023. We are excited at the prospect of some of the new facilities beginning to come available for student use towards the end of 2022-3 financial year and see the true impact of this project start to be realised.

In parallel, the Foundation will be working closely with the Girls' School in its aspiration to develop its Sixth Form facilities and offering.

With the substantial capital investments with both schools in recent years, the Foundation will be undertaking a review of its endowments and investments and reviewing with both schools its longer term support and future bursary and awards provisions.

The Trustees have appointed an external specialist to work with the Foundation's Board and staff team take forward the recommendations of the 2021 Governance Review findings and report. The Board's priorities are:

- Review of the Foundation's operations, policies and processes to identify, recommend and implement an updated operating model.
- Refresh the Foundation's vision and mission and how it achieves this in the 21st century, leading to the development of a fresh 3-year strategic plan.
- A review of the Board's composition and governance practice in response to the emerging strategic goals of the Foundation
- Reviewing and refreshing the Board's approach to trustee induction, development and succession.

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FINANCIAL REVIEW

Expenditure

Grants totalling £1,195,000 were made in the year to the two schools. The expenditure in direct support to the schools is summarised below:

Support to schools	£'000	£'000	£'000
	Boys'	Girls'	Total
	School	School	
Grants to schools *	305	890	1,195
Premises costs	62	-	62
Awards & prizes	21	18	39
Support costs	9	3	12
Other costs	26	7	33
Total	423	918	1,341

*This amount includes a grant to CFGS to fund the capital element of a PFI contract.

The drawdown of funds for the Boys' School building project continued through 2021-2. With a total expected cost of £41m, of which £33m is being funded by the Foundation. In year £6,143k of the agreed funding was drawn down.

Fixed Assets

Details of the Foundation's tangible fixed assets are disclosed in note 10 to the accounts.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Investment Policy

The Foundation refreshed its investment policy at the start of the financial year.

The overall objectives of the investment portfolio(s) are to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The Trustees delegate the management of the Foundation's investments to one or more investment managers while retaining overall responsibility for managing the portfolio. Trustees review the investment strategy annually with the Investment Committee and Fund Managers in order that the Foundation can achieve its short and medium term goals and that decisions made by the Fund Managers are within agreed levels of risk and ethical considerations. Specifically, the Trustees preclude investment in tobacco companies, and asks its investment managers to demonstrate that they monitor Environmental, Social and Governance (ESG) factors and actively engage with issuers to promote improved management of ESG risks. In addition, the Foundation's policy sets out any specific portfolio requirements, particularly relating to the Boys' and Girls' School ringfenced funding.

Investment Overview

At the end of the last financial year the Investment Committee reappointed J M Finn & Co and Rathbone Investment and appointed Veritas Investment Partners (UK) Limited as Investment Managers to the Foundation. Each investment portfolio has clearly designated goals and, where appropriate, separate goals for designated funds.

The Investment Committee met with the Investment Fund Managers during the course of the year to discuss and monitor performance, current positioning and outlook based on our key investment goals.

For the year, the following key investment objectives were met, and have been reconfirmed for the financial year starting 1 April 2022:

1. Rathbones main portfolio to be invested to generate returns guarding against erosion by inflation over the medium to long term. The specific objective is to generate a total return over a 5-year rolling period. By agreement, the portfolio is managed with a medium risk profile and generates a monthly income for the day to day running costs and regular Foundation funding commitments.

In addition, Rathbones manage the Foundation's account for the Boys' School Redevelopment project to meet scheduled funding commitments with minimal risk to the capital value. As a result, this portfolio is managed with a low risk profile.

2. JM Finn manage the Foundation's portfolio to generate monthly income based on a medium risk profile and to support some capital growth. They manage a number of ringfenced funds in line with the income and reinvestment requirements defined by the Foundation.
3. Veritas support the Foundation's longer term investment growth strategy. Their portfolio objectives focus on generating returns on a 5 year rolling view with emphasis on capital growth, drawing a small income quarterly, with an agreed risk profile of medium-high.

Details of the value and income from the Foundation's investments and endowments are disclosed in notes 11 and 14 to the accounts.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy

As stated above, in the Investments policy the trustees aim to create sufficient income and capital growth to enable the Foundation to carry out its purposes and commitments year by year. The trustees consider it prudent to have a blend of funds invested for growth and medium term investments which create a continuous income for the Foundation. In addition, the Foundation manages its level of liquid assets to meet its ongoing funding needs for at least 6 months.

As an exception, the Trustees agreed with the Boys' School that the majority of the funds for the current building project will be retained in cash or near cash assets to provide assurance of funds flow as costs for the building project fall due, even over the loss of potential income that could have been created with short term investments.

Following the 2021 Governance Review, the trustees have agreed an investment of up to £50,000 from the Foundation's reserves for the transition and transformation of the charity's operation and governance and make it fit for purpose for the 21st century.

Each year the application of the Foundation's Reserves policy takes into account the agreed commitments, and how these are drawdown against endowment, restricted and unrestricted funds. With the significant committed investment for the Boys' and Girls' Schools' infrastructure currently, the Foundation is intentionally applying part of its endowments towards the ongoing capital works (following Charity Commission approval) as well as some of its restricted and unrestricted funds. Going forwards, and with the additional injection of funds from the sale of the land adjoining the Boys School, it is the intention of the Trustees to review its funding goals and reserves policy in light of the review of its purpose and strategy and appropriately adjust its investment portfolio and reserves policy.

See note 14 (analysis of charitable funds).

Reserves Overview

The unrestricted funds available to the Foundation not designated for existing activity at the end of 2021-22 is £9,921,000 (2021, £9,227,000).

Fundraising

The Charity does not conduct any direct fundraising activity. In 2021/22 a joint Committee between the Foundation, the Boys' School and the Girls' School was established to support the two Schools to initiate a fundraising plan particularly to support the development of their schools' infrastructure and grow relationships with their alumni. While the Girls' School has made a positive start on building its alumni network, the Boys' School has focused on starting a capital project to raise funds towards the final phase of the Boys' School redevelopment. Both of these will continue in 2022-23.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
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FOR THE YEAR ENDED 31 MARCH 2022**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors of the corporate trustee ('the Trustees') are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the charity trustees to prepare accounts 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, including the income and expenditure, of the charity for that period. In preparing these accounts, 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 accounts;
- 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charities (Accounts & Reports) Regulations 2008, and the provisions of the constitution. 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. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Approved by the Board of Trustees on 2 December 2022

and signed on its behalf by:



Trustee

THE CENTRAL FOUNDATION SCHOOLS OF LONDON INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of The Central Foundation Schools of London (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including the principal 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 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The trustee is responsible for the other information. 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.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the directors of the corporate trustee ('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

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-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:

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to relevant financial reporting standards and the Charities Act 2011; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management and representatives from those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested the authorisation of expenditure as part of our substantive testing thereon.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of trustee meetings; and
- enquiring of management and those charged with governance as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

20/12/2022

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
INCOME						
Donations and legacies	2					
Dulwich Estate		757	-	-	757	924
Legacy		-	665	-	665	-
Gifts in kind		-	-	-	-	1,281
Investment income	3					
Rental income		5	-	-	5	5
Bank and other interest		-	-	-	-	3
Dividend income		854	13	-	867	695
Total income		<u>1,616</u>	<u>678</u>	<u>-</u>	<u>2,294</u>	<u>2,908</u>
EXPENDITURE						
Cost of raising funds						
Investment management fees	4	26	15	172	213	191
Charitable activities						
Support to schools	5, 6	1,360	6	833	2,199	2,117
Total expenditure		<u>1,386</u>	<u>21</u>	<u>1,005</u>	<u>2,412</u>	<u>2,308</u>
Net income (expenditure) before gains on investments		230	657	(1,005)	(118)	600
Revaluation of investment property	10	550	-	-	550	-
Net gains on investments	11	37	20	1,037	1,094	5,266
Net income and net movement in funds		<u>817</u>	<u>677</u>	<u>32</u>	<u>1,526</u>	<u>5,866</u>
Balances brought forward at 1 April 2021 as restated		<u>11,070</u>	<u>1,130</u>	<u>125,979</u>	<u>138,179</u>	<u>132,313</u>
Balances carried forward At 31 March 2022		<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	<u>139,705</u>	<u>138,179</u>

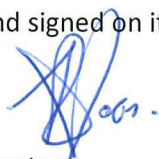
The notes on pages 19 to 30 form part of these accounts.
Detailed comparative information is provided in note 15.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
BALANCE SHEET
YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2022 £'000	Total Funds 2021 £'000
FIXED ASSETS						
Tangible assets	10	1	-	97,229	97,230	91,888
Investments	11	3,584	1,509	37,295	42,388	44,794
Total Fixed Assets		<u>3,585</u>	<u>1,509</u>	<u>134,524</u>	139,618	<u>136,682</u>
CURRENT ASSETS						
Debtors	12	27	-	-	27	39
Cash at bank and in hand		<u>8,363</u>	<u>298</u>	<u>(7,370)</u>	1,291	<u>2,375</u>
Total Current Assets		8,390	298	(7,370)	1,318	2,414
CURRENT LIABILITIES						
Creditors	13	<u>(88)</u>	<u>-</u>	<u>(1,143)</u>	(1,231)	<u>(917)</u>
NET CURRENT ASSETS		<u>8,302</u>	<u>298</u>	<u>(8,513)</u>	87	<u>1,497</u>
TOTAL NET ASSETS		<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	139,705	<u>138,179</u>
<i>THE FUNDS OF THE CHARITY:</i>						
PERMANENT ENDOWMENT FUNDS						
	14	-	-	126,011	126,011	125,980
RESTRICTED FUNDS						
	14	-	1,807	-	1,807	1,131
UNRESTRICTED FUNDS						
General operational fund	14	9,921	-	-	9,921	9,228
Designated fund		<u>1,966</u>	<u>-</u>	<u>-</u>	1,966	<u>1,840</u>
TOTAL FUNDS		<u>11,887</u>	<u>1,807</u>	<u>126,011</u>	139,705	<u>138,179</u>

Approved by the Board of Trustees on 2 December 2022

and signed on its behalf by:



Trustee

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2022**

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(243)	(858)
Cash flows from investing activities:			
Dividends and interest from investments		872	704
Proceeds from the disposal of investments		6,383	32,416
Purchase of investments		(24,344)	(15,267)
Purchase of fixed assets		(5,763)	(1,932)
Net cash (used in) generated from investing activities		<u>(22,852)</u>	<u>15,921</u>
Change in cash and cash equivalents in the year		(23,095)	15,063
Cash and cash equivalents at 1 April 2021	B	26,565	11,502
Cash and cash equivalents at 31 March 2022	B	<u>3,470</u>	<u>26,565</u>

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR TO 31 MARCH 2022:

A. Reconciliation of net movement in funds to net cash used in operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	1,526	5,866
Adjustments for:		
Depreciation charge	801	801
Gains on investments	(1,644)	(5,266)
Gifts in kind	-	(1,281)
Dividends and interest from investments	(872)	(698)
Decrease (increase) in debtors	12	(1)
Decrease in creditors	(66)	(279)
Net cash used in operating activities	<u>(243)</u>	<u>(858)</u>

B. Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	1,291	2,375
Cash held by investment advisors	2,179	24,190
Total cash and cash equivalents at 31 March 2022	<u>3,470</u>	<u>26,565</u>

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) updated October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include estimating the useful economic life of tangible fixed assets.

c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

d) Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

d) Income recognition (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.

Gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

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

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.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. The classification between activities is as follows:

- Cost of raising funds comprises investment management fees incurred in generating investment income and capital appreciation.
- Expenditure on charitable activities includes all costs associated with the provision of support to the schools and where appropriate individual students and former students and include both the direct costs and governance costs relating to these activities.

Grants payable are included in the financial statements once a constructive or legal obligation exists.

f) Tangible Fixed Assets and Depreciation

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been deemed to be cost.

Subsequent additions costing more than £1,000 are included at cost. The Foundation is responsible for contributing towards the upkeep of the original buildings at the Boys' School and Girls' School in a fit and useful condition, and such costs are written off as incurred.

Freehold buildings are depreciated at a rate of 2% per annum on a straight-line basis. No depreciation is charged in respect of freehold land.

Office equipment costing more than £1,000 is included at cost and depreciated at a rate of 25% per annum on a straight-line basis.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

g) Investments

Listed investments 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

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

l) Pensions

The Foundation makes contributions to employees' personal pension plans. Contributions are charged to the SOFA when payable.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	Unrestricted Funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000	<i>Total funds 2021 £'000</i>
Dulwich estate	757	-	-	757	924
Legacy	-	665	-	665	-
Contributions to Boys' School building project from other funders	-	-	-	-	1,281
2022 Total funds:	757	665	-	1,422	2,205
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds 2021 £'000</i>	
<i>Dulwich estate</i>	924	-	-	924	
<i>Contributions to Boys' School building project from other funders</i>	-	-	1,281	1,281	
<i>2021 Total funds:</i>	<i>924</i>	<i>-</i>	<i>1,281</i>	<i>2,205</i>	

London Borough of Islington and the Education and Skills Funding Agency agreed to contribute a total of £8,202,693 (including VAT) towards Phase 1 of the redevelopment of the Central Foundation Boys' School. The final portion of those funders' share of the costs incurred during the totalling £1,281,000 was recognised in the prior year as income within donations and legacies and as an increase in the value of the Foundation's fixed assets (note 10).

3. INVESTMENT INCOME

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total funds 2022 £'000	<i>Total funds 2021 £'000</i>
Rental income	5	-	-	5	5
Bank and other interest	-	-	-	-	3
Dividend income	854	13	-	867	695
2022 Total funds	859	13	-	872	703
	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds 2021 £'000</i>	
<i>Rental income</i>	5	-	-	5	
<i>Bank and other interest</i>	3	-	-	3	
<i>Dividend income</i>	678	17	-	695	
<i>2021 Total funds</i>	<i>686</i>	<i>17</i>	<i>-</i>	<i>703</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

4. COST OF RAISING FUNDS

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total funds 2022 £'000	<i>Total funds 2021 £'000</i>
Investment management fees	20	15	172	207	191
Investment property costs	6	-	-	6	-
2022 Total funds	26	15	172	213	191
	<i>Unrestricted Funds £'000</i>	<i>Restricted Funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds 2021 £'000</i>	
Investment management fees	27	3	161	191	
<i>2021 Total funds</i>	<i>27</i>	<i>3</i>	<i>161</i>	<i>191</i>	

5. CHARITABLE ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000	<i>Total funds 2021 £'000</i>
Support to schools (note 6)	1,302	6	33	1,341	1,228
Depreciation charge (note 10)	-	-	800	800	801
Governance costs (note 7)	58	-	-	58	88
2022 Total funds	1,360	6	833	2,199	2,117
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds 2021 £'000</i>	
Support to schools (note 6)	1,222	-	6	1,228	
Depreciation charge (note 10)	1	-	800	801	
Governance costs (note 7)	88	-	-	88	
<i>2021 Total funds</i>	<i>1,311</i>	<i>-</i>	<i>806</i>	<i>2,117</i>	

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022**

6. SUPPORT TO SCHOOLS

	Boys' School £'000	2022 Girls' School £'000	Total £'000	Boys' School £'000	2021 Girls' School £'000	Total £'000
Grants to Schools						
Staff costs	19	1	20	18	1	19
Direct grants	286	599	885	383	484	867
Girls' School PFI payment	-	290	290	-	290	290
Total	305	890	1,195	401	775	1,176
School Premises Costs						
Other costs	62	-	62	9	-	9
Awards and Prizes						
Bursaries	15	18	33			
Bendy awards	6	-	6	6		6
Total	21	18	39	6		6
Support costs						
Staff costs	9	3	12	9	3	12
Other costs						
Printing, stationery, postage, telephone	11	3	14	5	2	7
Computer support	8	2	10	7	2	9
Insurance	3	1	4	3	1	4
Website	4	1	5	4	1	5
Total	26	7	33	19	6	25
2022 Total funds	423	918	1,341	444	784	1,228

7. GOVERNANCE COSTS

	2022 £'000	2021 £'000
Auditor's remuneration for audit	17	10
Trustee expenses	-	1
Trustee indemnity insurance	2	3
Professional fees	4	32
Governance Review	-	7
Staff costs	35	35
2022 Total funds	58	88

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022**

8. TOTAL STAFF COSTS – INCLUDED IN NOTES 6 & 7

	2022	<i>2021</i>
	£'000	<i>£'000</i>
Salaries	67	<i>67</i>
Social security costs	4	<i>4</i>
Pension costs	3	<i>3</i>
	74	<i>74</i>

The average number of employees in the year was 2 (2021 - 2), neither of whose emoluments exceeded £60,000. The Foundation also pay the costs of part-time clerks to the Boys' and Girls' Schools.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The Trustees consider that they comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day-to-day basis.

No Trustees received any remuneration during either the current or preceding financial year. No Trustee received travel expenses during the current or preceding financial year.

10. TANGIBLE FIXED ASSETS

	Office Equipment £'000	Freehold Property £'000	Assets under construction £'000	2022 Total £'000
Cost or valuation				
As at 1 April 2021	5	73,497	23,764	97,266
Additions	-	-	6,143	6,143
Cost or valuation				
As at 31 March 2022	5	73,497	29,907	103,409
Depreciation				
As at 1 April 2021	4	5,375	-	5,379
Charge for year	-	800	-	800
As at 31 March 2022	4	6,175	-	6,179
Net book value				
As at 31 March 2022	1	67,322	29,907	97,230
As at 31 March 2021	1	68,123	23,764	91,888

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been treated as deemed cost.

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022**

11. INVESTMENTS AT MARKET VALUE

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total £'000	2021 Total £'000
Listed Investments	35,136	3,033	1,490	39,659	20,604
Dealing Account	2,159	1	19	2,179	24,190
Investment property	-	550	-	550	-
	<u>37,295</u>	<u>3,584</u>	<u>1,509</u>	<u>42,388</u>	<u>44,794</u>

SUMMARY OF SHARES AND OTHER SECURITIES

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total £'000
As at 1 April 2021	17,372	2,538	694	20,604
Additions	23,035	531	778	24,344
Disposals	(6,308)	(73)	(2)	(6,383)
Realised and unrealised losses	1,037	37	20	1,094
As at 31 March 2022	<u>35,136</u>	<u>3,033</u>	<u>1,490</u>	<u>39,659</u>

COST OF INVESTMENTS

31 March 2022	<u>33,130</u>	<u>1,894</u>	<u>584</u>	<u>35,608</u>
<i>31 March 2021</i>	<u>20,085</u>	<u>3,176</u>	<u>487</u>	<u>23,748</u>

SUMMARY OF INVESTMENT PROPERTY

	2022 £'000
As at 1 April 2021	-
Revaluation	<u>550</u>
As at 31 March 2022	<u>550</u>

12. DEBTORS

	2022 £'000	2021 £'000
Prepayments	5	4
Accrued income	<u>22</u>	<u>35</u>
	<u>27</u>	<u>39</u>

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022**

13. CREDITORS

	2022 £'000	2021 £'000
Trade creditors	64	64
Other creditors	-	1
Accruals	1,167	852
	<u>1,231</u>	<u>917</u>

14. ANALYSIS OF CHARITABLE FUNDS

	At 1 April 2021 £'000	Income £'000	Resources expended £'000	Gains on investments £'000	Transfers between funds £'000	At 31 March 2022 £'000
Permanent						
Endowments						
Dulwich Estate	9,156	-	(16)	79	-	9,219
Newman Trust	2	-	-	-	-	2
Mrs Irene Buckman	20	-	-	-	-	20
Boys' School Fund	12,443	-	(27)	(226)	(6,143)	6,047
Girls' School Fund	8,984	-	(34)	274	-	9,224
Veritas Fund	6,000	-	(47)	721	-	6,674
Investment property Fund						
City Road	7,450	-	(40)	152	-	7,562
College Terrace	1,990	-	(8)	37	-	2,019
Bursaries & Prizes	994	-	(33)	-	-	961
Land and buildings	78,940	-	(800)	-	6,143	84,283
Total	<u>125,979</u>	<u>-</u>	<u>(1,005)</u>	<u>1,037</u>	<u>-</u>	<u>126,011</u>
Restricted funds						
Prizes and grants	160	1	(6)	1	-	156
Bendy	963	12	(15)	12	-	972
Newman Trust	3	-	-	-	-	3
Mrs Irene Buckman	4	-	-	-	-	4
Reginald Gray Portfolio	-	665	-	7	-	672
Total	<u>1,130</u>	<u>678</u>	<u>(21)</u>	<u>20</u>	<u>-</u>	<u>1,807</u>
General operational Fund	9,230	1,616	(1,096)	587	(416)	9,921
Designated funds	1,840	-	(290)	-	416	1,966
Total	<u>11,070</u>	<u>1,616</u>	<u>(1,386)</u>	<u>587</u>	<u>-</u>	<u>11,887</u>
Total	<u>138,179</u>	<u>2,294</u>	<u>(2,412)</u>	<u>1,644</u>	<u>-</u>	<u>139,705</u>

ENDOWMENT FUNDS

The Dulwich Estate permanent endowment was created by capital distributions from the Dulwich Estate totalling £5,705,600 received in 1996, 2000, 2012, 2013 and 2014. The income can be used for the general purpose of the Foundation.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2022

Newman Trust was established in 1998 from a transfer of funds from The Bishopsgate Foundation. The fund is for the provision of prizes and to help and support needy pupils.

Mrs Irene Buckman, a former pupil of the Girls' School and a former governor and trustee, donated £16,667 in the year ended 31 March 2005, the income from which is to be used for girls who go on to higher education.

The Investment property fund represents the net proceeds from the sale of land bordering City Road, and land at College Terrace in Tower Hamlets. The Charity Commissioners have directed that the net proceeds be included as part of the permanent endowment funds. The income can be used for the general purposes of the Foundation. The trustees intend to use part of the City Road endowment fund in the carrying out of the Boys' School refurbishment and partial redevelopment project. The Charity Commission has granted permission for up to £21.65 million of the fund to be used for Phase 1 of the project. Those funds spent to date have been transferred from the City Road endowment fund to the land and buildings endowment fund.

A Bursaries and Prize fund was created from the Endowment Funds as at 1 April 2018. The interest from these funds is to be distributed to the two beneficiaries.

RESTRICTED FUNDS

The separate prizes and grants funds were merged with the Foundation under S74 of the Charities Act 1993 in 1996. The income and any accumulation of income is to be applied in promoting the education of the pupils attending the Boys' and Girls' Schools.

The Bendy fund was created in November 1999 by a legacy from a former pupil of the Central Foundation Boys' School, Mr Wilfred Bendy and Mrs Bendy. A Trustees Resolution under Section 275 of the Charities Act 2011 dated 18 June 2012 amended the purposes of the legacy to read:

To advance education in engineering, science, technology and mathematics by:

- 1) the provision of grants, bursaries, scholarships, prizes, financial assistance and provisions of equipment to students at the Central Foundation Boys' School (the "School") and to persons who have been students at the School (in relation to the latter, in order to assist them to continue their education at University or other place of learning or to undertake training with a preference for those who go on to study or undertake training in engineering or related subjects);
- 2) the provision of facilities, equipment and services at the School;
- 3) the establishment and provision for the benefit of students at the school of after school, or other out of hours, clubs, courses and extra-curricular activities;
- 4) the provision and facilitation for the benefit of students at the School of careers advice, work experience, mentoring and related activities with the aim of assisting and encouraging students to undertake further education or training in engineering, science, technology and mathematics.

The Newman Trust and Mrs Irene Buckman funds represent income from the endowments described above.

UNRESTRICTED FUNDS

The General operational fund represents the free funds of the Foundation which are not designated for particular purposes.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

The designated funds represents reserves set aside by the trustees to cover the present value of the Foundation's commitment to the Girls' School PFI contract, together with the income generated from the Boys' School and Girls' School endowment funds, which has been set aside for use by the Schools.

The Revaluation Reserve arose from the revaluation of Functional Properties, carried out in 1998 and 2016.

15. COMPARATIVE INFORMATION

Analysis of income and expenditure in the year ended 31 March 2021 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2021</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>INCOME</i>				
<i>Donations and legacies</i>				
<i>Dulwich Estate</i>	924	-	-	924
<i>Gifts in kind</i>	-	-	1,281	1,281
<i>Investment income</i>				
<i>Rental income</i>	5	-	-	5
<i>Bank and other interest</i>	3	-	-	4
<i>Dividend income</i>	678	17	-	695
<i>Total income</i>	<u>1,610</u>	<u>17</u>	<u>1,281</u>	<u>2,908</u>
<i>EXPENDITURE</i>				
<i>Cost of raising funds</i>				
<i>Investment management fees</i>	27	3	161	191
<i>Charitable activities</i>				
<i>Support to schools</i>	1,311	-	808	2,117
<i>Total expenditure</i>	<u>1,338</u>	<u>3</u>	<u>967</u>	<u>2,308</u>
<i>Net income before gains on investments</i>	272	14	314	600
<i>Net gains on investments</i>	62	120	5,084	5,266
<i>Net income and net movement in funds</i>	<u>334</u>	<u>134</u>	<u>5,398</u>	<u>5,866</u>
<i>Reconciliation of funds</i>				
<i>Balances brought forward at 1 April 2020</i>	<u>10,734</u>	<u>997</u>	<u>120,582</u>	<u>132,313</u>
<i>Balances carried forward at 31 March 2021</i>	<u>11,068</u>	<u>1,131</u>	<u>125,890</u>	<u>138,179</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2022

15. **COMPARATIVE INFORMATION (CONTINUED)**

Analysis of balance sheet at 31 March 2021 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2021 £'000</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>FIXED ASSETS</i>				
<i>Tangible assets</i>	1	-	91,887	91,888
<i>Investments</i>	2,543	709	41,542	44,794
<i>Total Fixed Assets</i>	<u>2,544</u>	<u>709</u>	<u>133,429</u>	<u>136,682</u>
<i>CURRENT ASSETS</i>				
<i>Debtors</i>	39	-	-	39
<i>Cash at bank and in hand</i>	<u>8,631</u>	<u>422</u>	<u>(6,678)</u>	<u>2,375</u>
<i>Total Current Assets</i>	8,670	422	(6,678)	2,414
<i>CURRENT LIABILITIES</i>				
<i>Creditors</i>	<u>(146)</u>	-	<u>(771)</u>	<u>(917)</u>
<i>NET CURRENT ASSETS</i>	<u>8,524</u>	<u>422</u>	<u>(7,449)</u>	<u>1,497</u>
<i>TOTAL NET ASSETS</i>	<u>11,068</u>	<u>1,131</u>	<u>125,980</u>	<u>138,179</u>
<i>THE FUNDS OF THE CHARITY:</i>				
<i>PERMANENT</i>				
<i>ENDOWMENT FUNDS</i>	-	-	125,980	125,980
<i>RESTRICTED FUNDS</i>	-	1,131	-	1,131
<i>UNRESTRICTED FUNDS</i>				
<i>General operational fund</i>	9,228	-	-	9,228
<i>Designated fund</i>	1,840	-	-	1,840
<i>TOTAL FUNDS</i>	<u>11,068</u>	<u>1,131</u>	<u>125,980</u>	<u>138,179</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON

England & Wales - Charity number 312695

Accounts

Registered Charity No. 312695

**THE CENTRAL FOUNDATION SCHOOLS OF LONDON
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2021**

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
GENERAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021

Patron	The Lord Mayor		
Trustees	CFSL Trustee Limited (company registration number 11294870) is the sole corporate trustee of the charity.		
	The directors of the corporate trustee during the year were:		
	Mr C Arding ^{2, 4, 8}		
	Revd D Armstrong		
	Ms J Boadi ^{6, 7, 5}	Appointed 9 July 2020	
	Mr K Bottomley ^{1, 8}		
	Mr S Brown ^{1, 7}	See Note 1	
	Mr J E Cruse ^{1, 6, 4}	Resigned 24 March 2022	
	Mr S Dodds	Appointed 2 December 2021	
	Mr B Gooden ^{4, 7}		
	The Rev The Lord Griffiths of Pembrey and Burry Port	Chairman (see note 1)	
	Mrs S Griffiths		
	Mr C Gurney ^{1, 3, 7}	Resigned 28 January 2022	
	Mr R Howard ^{1, 6, 2}		
	Mr G Kegler ^{1, 6, 7}		
	Ms D Khambata ^{2, 3}		
	Mr R Maas ^{1, 6,}		
	Mr S Malik	Resigned 7 May 2020	
	Ms J Plesniak ^{3, 6, 7}		
	Mr F Sumner ^{2, 8}		
	Mr M Yershon ^{1, 2, 6, 7}		
	<i>Note 1. Lord Griffiths stepped down as Chair on 8 July 2021 and Stephen Brown became acting Chair at that time. Stephen Brown was elected Chair on 14 October 2021. Leslie Griffith's term of office ended 10 December 2021</i>		
Clerk to the Trustees	Mr J Clark		
Registered Charity Number	312695		
Address	Cowper Street London EC2A 4SH		
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL		
Bankers	Barclays Bank PLC Level 27 1 Churchill Place London E14 5HP		
Solicitors	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE		
Investment Managers	Rathbone Investment Management Limited 8 Finsbury Circus London EC2M 7AZ	J M Finn & Co 4 Coleman Street London EC2R 5TA	Veritas Investment Partners (UK) Limited Riverside House 2a Southwark Bridge Road, London SE1 9HA

¹ Member of Finance Committee

² Member of Compliance, Audit & Risk Assessment Committee

³ Governor of the Boys' School

⁴ Governor of the Girls' School

⁵ Trustee Dulwich Estate

⁶ Member of Investment Committee

⁷ Communications Committee

⁸ Project Committee

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 17 therein and comply with the charity's Scheme, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

STATUS AND ADMINISTRATION

The Foundation is a Charity founded by a Trust Deed in February 1891 which has been amended over subsequent years and now operates under the 2010 Scheme of the Charity Commissioners as amended by the Scheme dated 28 June 2018.

STRUCTURE GOVERNANCE AND MANAGEMENT

Managing Body

The Foundation has a sole corporate trustee, CFSL Trustee Limited. The Foundation is managed by the directors of the corporate trustee (referred to as 'the Trustees' throughout this report). The Board of Trustees comprises up to 18 individuals - 8 appointed by the following bodies: The University of London (2), The London Chamber of Commerce (1), The City of London Corporation (1), The Wardmote of the Ward of Bishopsgate (1), The Bank of England (1), The Dulwich Estate (1), The Vestry of the Parish of St Botolph's Bishopsgate (1) and 10 appointed by the Board as co-opted Trustees. As of 31 March 2021 there was one nominative vacancy to be appointed by The London Chamber of Commerce.

The Trustees have the responsibility for managing the finances, the properties and the investments of the Foundation.

The Trustees consider that they comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis.

The Trustees receive no remuneration in respect of their duties.

On the 26 February 2018, the Trustees passed a resolution pursuant to section 280 of the Charities Act 2011 to amend its current governing document (the scheme dated 21 May 2010, as amended) to allow for the appointment of a sole corporate trustee. This resolution was filed with the Charity Commission and the Register of Charities. Approval from the Charity Commission appointing CFSL Trustee Limited as the sole corporate trustee of the Foundation was received on 1 July 2018. The sole corporate trustee, called CFSL Trustee Limited (which is constituted as a non-charitable company limited by guarantee) was incorporated on 5 April 2018 (company reference number 11294870).

The 2010 Scheme confers rights on certain external bodies to nominate trustees to the Foundation. On the appointment of the sole corporate trustee the rights for these bodies to nominate directors of the corporate trustee have been included in the Articles of CFSL Trustee Limited. The Foundation has written to and obtained the consent of each of the bodies entitled to nominate trustees under the Scheme to replace their rights under the Scheme with the rights under the Articles of Association.

Recruitment and Training of Trustees

Trustees are either appointed by nominating bodies or invited to become co-opted Trustees. Those who are co-opted are selected for their specific knowledge to keep a balance of skills within the Board. On occasions they are former students of one of the Central Foundation Schools who have achieved highly in their business lives. All Trustees have opportunities throughout the year to attend training courses provided by advisers or recommended by Trustees.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
FOR THE YEAR ENDED 31 MARCH 2021

Organisational Management

The Board of Trustees meets six times per annum. The work of implementing its policies is carried out by the members of the Finance Committee, Investment Committee, Compliance, Audit & Risk Assessment Committee and the Communications Committee. The Finance Committee and the Investment Committee meet two weeks before each meeting of the full Board of Trustees. The Compliance, Audit & Risk Assessment Committee and the Communications Committee meet once per term, with additional meetings if this is found to be necessary. The Finance Committee works under the Chairmanship of Mr R Maas, Investment Committee under the Chairmanship of Mr G Kegler, Communications Committee under the Chairmanship of Mr M Yershon and the Compliance, Audit & Risk Assessment Committee meets under the Chairmanship of Mr F Sumner.

Structure and Relationships with Schools

The Foundation supports two schools in London – the Central Foundation Boys' School in Islington and the Central Foundation Girls' School in Tower Hamlets. Both schools are voluntary aided. Each school has its own Governing Body to which some Trustees of the Foundation are appointed as Governors.

The Foundation employ a Clerk/Bursar and an Administration Officer. It also pay the costs of part-time Clerks at the Boys' and Girls' Schools.

Risk Management

The Trustees have examined the principal areas of the Foundation's operations and considered the major risks which could arise in each of these areas. In the opinion of the Trustees, the Foundation has established resources and review systems which, under normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.

The Foundation's principal assets comprise land and buildings and listed investments, the value of which is dependent on movements in the UK and overseas stock markets. The investments are managed by reputable professional investment managers who adhere to a policy agreed by the trustees and the Investment Committee. Regular meetings are held with the investment managers and their performance and that of the portfolio are monitored by the Foundation.

The Trustees retain a Risk Assessment Register to which they add items which they consider significant, as and when they may arise. Annually, all Trustees are given a copy of the register and asked to consider whether there are additional items and whether the methods outlined for addressing risks are still suitable.

OBJECTIVES AND ACTIVITIES

Charitable Objects and Aims

The object of the Foundation is to advance the education (including the social and physical education) of persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools through:

- a) the provision of items, services and facilities for the Schools; and
- b) furthering the education of persons under the age of 25 who are, or have been, students attending the Schools by the award of prizes (or other suitable reward); and
- c) giving grants, bursaries or other payments to persons under the age of 25 who are, or have been, students at one of the two Central Foundation Schools who are in financial need:
 - i) to enable them to continue their education in any manner approved by the Trustees (including attendance at any school, college, university or other place of learning); and
 - ii) in providing financial or other assistance to them to assist their entry into a profession, trade or calling or to enable them to travel abroad to pursue their education.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives for the year

The objectives for the year were:

1. To continue to provide professional and financial assistance to the Central Foundation Boys' School (CFBS) with regard to staff professional achievement, curriculum development, sports, school journeys, extended schools, the social mobility project and support to a specialised employment agency (Central Futures) to find employment for students leaving the School and not proceeding to university.
2. To continue to provide professional and financial assistance to the Central Foundation Girls' School (CFGs) including the raising of the achievement agenda through targeted intervention and support, broadening students' horizons and cultural capital by enabling them to participate in a range of experiences outside of the curriculum.
3. The Trustees and the Boys' School Governors are working together on a project to enable the refurbishment and partial redevelopment of the Boys' School site. The planning application was submitted and approval was granted in April 2018. The Trustees reserved £27.2m in respect of the Foundation's prospective contribution towards the costs of the project, which commenced in the second half of 2018. Approval under a section 105 Order to release up to £21.65m of permanent endowment entitled "Investment Property Fund: City Road" was received on 1 July 2018. The London Borough of Islington and the Education & Skills Funding Agency (ESFA) contributed a total of £8.2 million to the project. The total estimated cost of both Phase 1 and Phase 2a is now £41 million, and after deducting the third party contributions and the Bandy bequest the estimated overall cost to the Foundation is approximately £33 million. The contract, for the sum of £13,228,719 for Phase 2a with Gilbert Ash was signed on the 17 May 2021 for completion on 10 March 2023.

4. Strategies to achieve the year's objectives

To have the necessary resources to fund the professional services and assistance to the Boys' and Girls' Schools to achieve the objectives stated in the paragraph above.

Grant Making Policy

The Trustees have paid due regard to the Charity Commission's guidance on public benefit. The Foundation provides public benefit by giving grants to the two voluntary aided schools in inner London and providing grants and assistance to individual students from time to time.

Grants totalling £1,176,000 were made in the year to the two schools. This amount includes a £290,000 grant to CFGS to fund the capital element of a PFI contract.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
FOR THE YEAR ENDED 31 MARCH 2021

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

FINANCIAL REVIEW

Review of Activities, Financial Review and Future Developments

The results for the year to 31 March 2021 were in line with management accounts and formal budgets. The Foundation's excess of income over expenditure was £600,000 after deducting the depreciation charge of £801,000 but before taking into account the gains on investments. The Foundation made realised and unrealised gains totalling £5,266,000 (2020: losses of £3,688,000) on its investments in the year to 31 March 2021.

The expenditure in direct support to the Schools is summarised below:

Support to schools	£'000	£'000	£'000
	Boys'	Girls'	Total
	School	School	
Grants to schools	401	775	1,176
Boys' School premises costs	9	-	9
Awards & prizes	6	-	6
Support costs	9	3	12
Other costs	19	6	25
Total	<u>444</u>	<u>784</u>	<u>1,228</u>

Further details are shown in Note 6 page 20.

The Boys' School had previously challenged the Trustee interpretation of the trusts which apply to the proceeds of the sale in 2007 of the property bordering City Road, arguing that the proceeds should be held by the Foundation exclusively for the Boys' School. The Trustee on 17 March 2021 concluded a Settlement Agreement with the Boys' and Girls' Schools. The financial implications of this solution are discussed on page 7.

Future Developments

To complete Phase 2a of the Boys' School refurbishment which is projected to end in March 2023. To address the annual increase in the Girls' School PFI commitment in order that the increase does not impinge on the delivery of education at the Girls' School. To improve the presence of the Foundation through its website which went live on the 10 May 2021.

Fixed Assets

Details of the Foundation's tangible fixed assets are disclosed in note 10 to the accounts.

Investment Policy

On 20 March 2021 the Investment Committee reappointed J M Finn & Co and Rathbone Investment and appointed Veritas Investment Partners (UK) Limited as Investment Managers to the Foundation. These appointments resulted in the reallocation of the Foundation's investments (other than the designated Bendy Fund investments) being held as follows:

Rathbone Investment	£12,443,249	Boys School Development Fund
Rathbone Investment	£5,000,000	Main portfolio 2
J M Finn & Co	£9,000,000	Girls School Fund
J M Finn & Co	£9,000,000	Main portfolio
Veritas Investment Partners (UK)	£6,000,000	Foundation Growth Fund

As at 31 March 2021 the Girls School Fund was valued at £8,984,017 producing an estimated income of £199,201, equivalent to a 2.2% yield; the Boys School Redevelopment Fund was £12,443,249 held in a deposit account; and the Veritas Growth Portfolio was valued at £6,000,000 of which £4,406,478 was uninvested cash. The portfolio was estimated to produce an income of £19,794 equivalent to a yield of 1.1%. The income generated from these three portfolios is reinvested.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
YEAR ENDED 31 MARCH 2021

Investment Policy (cont)

As at the 31 March 2021 the Foundation's portfolio with Rathbone was valued at £1,928,951 producing an income of £58,876 equivalent to a yield of 3.1%; and that with J M Finn & Co was valued at £14,358,201 of which £5,407,055 was in cash, producing an estimated income of £211,528 equivalent to a 1.49% yield. The two Bendy portfolios at J M Finn & Co were valued at £1,080,257 producing an income of £21,195 equivalent to a yield of 1.95%.

The Investment Committee met with the Investment Fund Managers during the course of the year to discuss and monitor performance, current positioning and outlook.

Reserves Policy and Financial Position

At 31 March 2021 the Foundation had total funds of £138,179,000 which were made up as follows:

	£'000
Endowment funds	125,980
Restricted funds	1,131
Unrestricted funds	11,068
Total Funds	138,179

These funds are represented by the assets of the Foundation as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total £'000
The Total Assets and Reserves of the Foundation				
Net book value of Fixed Assets (Freehold Property and Office Equipment)	1	-	91,887	91,888
<i>Current assets and investment as per the Balance sheet on page 13</i>				
Investments at market value	2,543	709	41,542	44,794
Cash	8,631	422	(6,678)	2,375
Net other assets and liabilities	(107)	-	(771)	(878)
Total current assets & investments	11,067	1,131	34,093	46,291
Total Assets	11,068	1,131	125,980	138,179

Obviously the fixed assets of the Foundation are not available for distribution. And the use of the current assets and investments is restricted in various ways, as follows:

	Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total £'000
Availability of current assets and investments				
Total current assets and investments (as above)	11,067	1,131	34,093	46,291
Less funds already earmarked in some way:				
1. Designated to cover the present value of the Foundation's commitment to the Girls' School PFI project.	(1,840)	-	-	(1,840)
2. Set aside to cover bursaries and prizes	-	-	(1,000)	(1,000)
3. To be used to facilitate the Boys' School development project	-	-	(18,821)	(18,821)
4. Set aside for acquisition of development site by Girls' School	-	-	(9,000)	(9,000)
5. Restricted to the uses specified in their restricted funds	-	(1,131)	-	(1,131)
Subtotal of amounts already earmarked in some way	(1,840)	(1,131)	(28,821)	(31,792)
Current assets and investments potentially available for other purposes	9,227	-	5,272	14,499

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
YEAR ENDED 31 MARCH 2021

Reserves Policy and Financial Position (cont)

As shown above, the funds available to the Foundation which have not been already in some way earmarked are £14,499,000 (the 'available reserves'). It should be noted that (as shown above) only £9,227,000 of this is unrestricted (the 'free reserves' of the Foundation). The rest (£5,272,000) is part of the permanent endowment of the Foundation (see above).

With respect to each of the categories identified above:

1. Designated funds

The trustees have designated a reserve of £1,840,000 million representing the present value of the Foundation's commitment to the Girls' School's PFI contract.

2. £1,000,000 of the endowment fund has been set aside to provide grants and bursaries to assist former pupils of the schools entering further education.
3. As noted on page 5, the Trustee has been discussing, with both beneficiary schools, the resolution of a challenge from the Boys' School about the status of the proceeds from the sale (in 2007) of property at the Boys' School site. The Trustee and the Boys' School Governing Body have agreed and executed the terms for the full and final settlement of the dispute. This settlement includes the funds for Phase 2a of the refurbishment of the Boys' School Funding Framework Agreement. Under this Settlement Agreement the Boys' School release their claim and the Foundation undertakes to provide funding for Phase 2a. The Settlement Agreement and Boys' School Funding Framework Agreement were approved by the un-conflicted Directors of the Foundation on 4 February 2021. The Boys' School Funding Framework Agreement requires the Foundation to place in a Development Funding account the amount of £12,443,249 and to contribute to works at the Boys' School an amount equivalent to the Commercial Development proceeds (the land at the eastern end of the site) or £10,000,000 whichever is the smaller. These actions were completed on the Unconditional Date of 17 March 2021. Due to the lack of a purchaser for the Deveopment Site the Trustee agreed to underwrite the completion of Phase 2a on the agreement that the all the proceeds from the sale of the Development Site were paid to the Foundation. This agreement has necessitated a supplementary agreement being agreed amending the Funding Framework Agreement.
4. Under the Settlement Agreement the Directors reached a settlement with the Girls' School. The Foundation agreed to make funding available to the Girls' School to fund the purchase and development of land adjacent to the Girls' School site. To that end the Foundation will place assets to the value of approximately £9,000,000 in a separate Designated Endowment for this purpose, with the Girls' School assuming the risk of reduction in the value of the investment and potential upside of investment gains. This Designated Endowment will continue to form part of the capital of the Foundation's general permanent endowment fund. The Designated Endowment is set aside for 25 years from 17 March 2021 at which time any funds remaining in this account on termination or expiration of this agreement shall fall back into the Foundation's general endowment fund.

5. Restricted funds

Restricted funds of £1,131,000 comprise monies restricted to particular purposes, for the advance education in engineering, science, and technology, particularly the award of bursaries, prizes, grants and scholarships. Further details are given in note 14 to the accounts.

In formulating their reserves policy, the trustees have taken account of the available funds (£14,499,000) and the proportion considered to be free reserves (£9,227,000). It is the intention of the Trustee to seek to grow the investments of the Foundation both in capital and income. As regard the income it will be the Trustee's policy, after taking account of the reserves position and after paying or providing for the Foundation's costs, expenses and liabilities, to regard it as available for distribution to the beneficiaries.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
TRUSTEES' REPORT (CONT)
YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The directors of the corporate trustee ('the Trustees') are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 operation.

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, applicable Charity (Accounts and Reports) Regulations and the provisions of the Charity Commission Scheme. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 10 May 2022
and signed on its behalf by _____



Robert Maas
10 May 2022

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE
YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The Central Foundation Schools of London (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including the principal 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 March 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the accounts 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 accounts are authorised for issue.

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

Other information

The trustee is responsible for the other information. 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE (CONT)
YEAR ENDED 31 MARCH 2021

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 Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the directors of the corporate trustee ('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

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-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:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the activities of the charity. These included but were not limited to relevant financial reporting standards and the Charities Act 2011; and
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing trustee meeting minutes.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and representatives from those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE (CONT)
YEAR ENDED 31 MARCH 2021

Auditor's responsibilities for the audit of the financial statements (cont)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships; and
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reading the minutes of trustee meetings; and
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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.



Buzzacott LLP
18 May 2022

Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

18/5/22

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2021 £'000	<i>Total Funds 2020 £'000</i>
INCOME						
Donations and legacies						
Dulwich Estate	2	924	-	-	924	505
Gifts in kind		-	-	1,281	1,281	4,925
Investment income						
Rental income	3	5	-	-	5	6
Bank and other interest		3	-	-	3	30
Dividend income		678	17	-	695	1,080
Total income		<u>1,610</u>	<u>17</u>	<u>1,281</u>	<u>2,908</u>	<u>6,546</u>
EXPENDITURE						
Cost of raising funds						
Investment management fees	4	27	3	161	191	219
Charitable activities						
Support to schools	5, 6	1,311	-	806	2,117	2,090
Total expenditure		<u>1,338</u>	<u>3</u>	<u>967</u>	<u>2,308</u>	<u>2,309</u>
Net income before gains (losses) on investments		272	14	314	600	4,237
Net gains (losses) on investments	11	62	120	5,084	5,266	(3,688)
Net income (expenditure) and net movement in funds		334	134	5,398	5,866	549
Balances brought forward at 1 April 2020 as restated		<u>10,734</u>	<u>997</u>	<u>120,582</u>	<u>132,313</u>	<u>131,764</u>
Balances carried forward At 31 March 2021		<u>11,068</u>	<u>1,131</u>	<u>125,980</u>	<u>138,179</u>	<u>132,313</u>

**The notes on pages 15 to 26 form part of these accounts.
Detailed comparative information is provided in note 15.**

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
BALANCE SHEET
31 MARCH 2021

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds 2021 £'000	Total Funds 2020 £'000
FIXED ASSETS						
Tangible assets	10	1	-	91,887	91,888	88,004
Investments	11	2,543	709	41,542	44,794	39,610
Total Fixed Assets		<u>2,544</u>	<u>709</u>	<u>133,429</u>	<u>136,682</u>	<u>127,614</u>
CURRENT ASSETS						
Debtors	12	39	-	-	39	745
Cash at bank and in hand		<u>8,631</u>	<u>422</u>	<u>(6,678)</u>	<u>2,375</u>	<u>4,379</u>
Total Current Assets		8,670	422	(6,678)	2,414	5,124
CURRENT LIABILITIES						
Creditors	13	<u>(146)</u>	<u>-</u>	<u>(771)</u>	<u>(917)</u>	<u>(425)</u>
NET CURRENT ASSETS		<u>8,524</u>	<u>422</u>	<u>(7,449)</u>	<u>1,497</u>	<u>4,699</u>
TOTAL NET ASSETS		<u>11,068</u>	<u>1,131</u>	<u>125,980</u>	<u>138,179</u>	<u>132,313</u>
<i>THE FUNDS OF THE CHARITY:</i>						
PERMANENT ENDOWMENT FUNDS	14	-	-	125,980	125,980	120,582
RESTRICTED FUNDS	14	-	1,131	-	1,131	997
UNRESTRICTED FUNDS	14					
General operational fund		9,228	-	-	9,228	8,604
Designated fund		<u>1,840</u>	<u>-</u>	<u>-</u>	<u>1,840</u>	<u>2,130</u>
TOTAL FUNDS		<u>11,068</u>	<u>1,131</u>	<u>125,980</u>	<u>138,179</u>	<u>132,313</u>

Approved by the Board of Trustees on
and signed on its behalf by

10 May 2022


Trustee

Robert Maas
10 May 2022

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
STATEMENT OF CASH FLOWS
31 MARCH 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities:			
Net cash used in operating activities	A	(858)	(1,152)
Cash flows from investing activities:			
Dividends and interest from investments		704	1,127
Proceeds from the disposal of investments		32,416	(9,066)
Purchase of investments		(15,267)	11,751
Purchase of fixed assets		(1,932)	(4,840)
Net cash generated from (used in) investing activities		<u>15,921</u>	<u>(1,028)</u>
Change in cash and cash equivalents in the year		15,063	(2,180)
Cash and cash equivalents at 1 April 2020	B	11,502	13,682
Cash and cash equivalents at 31 March 2021	B	<u>26,565</u>	<u>11,502</u>

Notes to the statement of cash flows for the year to 31 March 2021:

A Reconciliation of net movement in funds to net cash generated from (used in) operating activities

	2021 £'000	2020 £'000
Net movement in funds (as per the statement of financial activities)	5,866	549
Adjustments for:		
Depreciation charge	801	801
(Gains) losses on investments	(5,266)	3,688
Gifts in kind	(1,281)	(4,925)
Dividends and interest from investments	(698)	(1,110)
Increase in debtors	(1)	-
Decrease in creditors	(279)	(155)
Net cash used in operating activities	<u>(858)</u>	<u>(1,152)</u>

B Analysis of cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	4,379	13,392
Cash with investment advisors	7,123	290
Total cash and cash equivalents at 1 April 2020	<u>11,502</u>	<u>13,682</u>
Cash at bank and in hand	2,375	4,379
Cash held by investment advisors	24,190	7,123
Total cash and cash equivalents at 31 March 2021	<u>26,565</u>	<u>11,502</u>

No separate statement of changes in net debt has been prepared as there is no difference between the movements in cash and cash equivalents and movement in net cash (debt).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

a) Basis of preparation

These accounts have been prepared for the year to 31 March 2021.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

b) Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include estimating the useful economic life of tangible fixed assets.

c) Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

d) Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable.

Gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

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

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.

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. The classification between activities is as follows:

- ◆ Cost of raising funds comprises investment management fees incurred in generating investment income and capital appreciation.
- ◆ Expenditure on charitable activities includes all costs associated with the provision of support to the schools and where appropriate individual students and former students and include both the direct costs and governance costs relating to these activities.

Grants payable are included in the financial statements once a constructive or legal obligation exists.

f) Tangible Fixed Assets and Depreciation

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been deemed to be cost.

Subsequent additions costing more than £1,000 are included at cost. The Foundation is responsible for contributing towards the upkeep of the original buildings at the Boys' School and Girls' School in a fit and useful condition, and such costs are written off as incurred.

Freehold buildings are depreciated at a rate of 2% per annum on a straight line basis. No depreciation is charged in respect of freehold land.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

f) Tangible Fixed Assets and Depreciation (continued)

Office equipment costing more than £1,000 is included at cost and depreciated at a rate of 25% per annum on a straight line basis.

g) Investments

Listed investments 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.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

h) Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

i) Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

j) Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

k) Fund structure

Endowment funds comprise monies which must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes in which case it is credited to restricted funds.

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

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

l) Pensions

The Foundation makes contributions to employees' personal pension plans. Contributions are charged to the SOFA when payable.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2021	<i>Total funds 2020</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Dulwich estate	924	-	-	924	505
Contributions to Boys' School building project from other funders	-	-	1,281	1,281	4,925
2021 Total funds:	924	-	1,281	2,205	5,430
	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>2019</i>
					<i>£'000</i>
<i>Dulwich estate</i>	505	-	-	505	
<i>Contributions to Boys' School building project from other funders</i>	-	-	4,925	4,925	
<i>2020 Total funds:</i>	<i>505</i>	<i>-</i>	<i>4,925</i>	<i>5,430</i>	

London Borough of Islington and the Education and Skills Funding Agency have agreed to contribute a total of £8,202,693 (including VAT) towards Phase 1 of the redevelopment of the Central Foundation Boys' School. Those funders' share of the costs incurred during the year total £1,281,000 (2020: £4,925,000) and have been recognised as income within donations and legacies and as an increase in the value of the Foundation's fixed assets (note 10).

3. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Endowment funds	Total funds 2021	<i>Total funds 2020</i>
	£'000	£'000	£'000	£'000	<i>£'000</i>
Rental income	5	-	-	5	6
Bank and other interest	3	-	-	3	30
Dividend income	678	17	-	695	1,080
2021 Total funds	686	17	-	703	1,116
	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment funds</i>	<i>Total funds</i>	
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>2020</i>
					<i>£'000</i>
<i>Rental income</i>	6	-	-	6	
<i>Bank and other interest</i>	30	-	-	30	
<i>Dividend income</i>	1,058	22	-	1,080	
<i>2020 Total funds</i>	<i>1,094</i>	<i>22</i>	<i>-</i>	<i>1,116</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

4. COST OF RAISING FUNDS

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
2021 Total funds:					
Investment management fees	27	3	161	191	219
<i>2020 Total funds: Investment management fees</i>	26	3	190	219	

5. CHARITABLE ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
Support to schools (note 6)	1,222	-	6	1,228	1,130
Depreciation charge (note 10)	1	-	800	801	801
Governance costs (note 7)	88	-	-	88	159
2021 Total funds	1,311	-	806	2,117	2,090
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total funds 2020 £'000</i>	
<i>Support to schools (note 6)</i>	1,127	3	-	1,130	
<i>Depreciation charge (note 10)</i>	1	-	800	801	
<i>Governance costs (note 7)</i>	159	-	-	159	
<i>2020 Total funds (restated)</i>	<i>1,287</i>	<i>3</i>	<i>800</i>	<i>2,090</i>	

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

6. SUPPORT TO SCHOOLS	2021			2020		
	Boys' School £'000	Girls' School £'000	Total £'000	Boys' School £'000	Girls' School £'000	Total £'000
Grants to Schools						
Staff costs	18	1	19	15	7	22
Direct grants	383	484	867	311	456	767
Girls' School PFI payment	-	290	290	-	290	290
Academisation		-		4	-	4
Total	401	775	1,176	330	753	1,083
School Premises Costs						
Other costs	9	-	9	6	-	6
Awards and Prizes	6	-	6	3	-	3
Support costs						
Staff costs	9	3	12	9	2	11
Other costs						
Printing, stationery, postage and telephone	5	2	7	6	2	8
Computer support	7	2	9	5	2	7
Legal and professional	-	-	-	10	-	10
Insurance	3	1	4	1	1	2
Website	4	1	5	-	-	-
Total	19	6	25	22	5	27
2021 Total funds	444	784	1,228	370	760	1,130

7. GOVERNANCE COSTS	2021 £'000	2020 £'000
Auditor's remuneration for audit	10	10
Trustee expenses	1	-
Trustee indemnity insurance	3	3
Professional fees	32	112
Governance Review	7	-
Staff costs	35	34
2020 Total funds	88	159

8. TOTAL STAFF COSTS – included in notes 6 & 7	2021 £'000	2020 £'000
Salaries	67	66
Social security costs	4	4
Pension costs	3	3
	74	73

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

8. TOTAL STAFF COSTS (CONTINUED)

The average number of employees in the year was 2 (2019 - 2), neither of whose emoluments exceeded £60,000. The Foundation also pay the costs of part-time clerks to the Boys' and Girls' Schools.

9. REMUNERATION OF TRUSTEES AND KEY MANAGEMENT PERSONNEL

The Trustees consider that they comprise the key management personnel of the Foundation in charge of directing and controlling, running and operating the Foundation on a day to day basis.

No Trustees received any remuneration during either the current or preceding financial year. No Trustee received travel expenses during the current or preceding financial year.

10. TANGIBLE FIXED ASSETS

	Office Equipment £'000	Freehold Property £'000	Assets under construction £'000	2021 Total £'000
Cost or valuation				
As at 1 April 2020	5	73,497	19,079	92,581
Additions funded by the Foundation	-	-	3,404	3,404
Contributions from other funders (note 2)	-	-	1,281	1,281
Cost or valuation				
As at 31 March 2020	5	73,497	23,764	97,266
Depreciation				
As at 1 April 2020	3	4,574	-	4,577
Charge for year	1	800	-	801
As at 31 March 2021	4	5,374	-	5,378
Net book value				
As at 31 March 2021	1	68,123	23,764	91,888
As at 31 March 2020	2	68,923	19,079	88,004

Functional freehold properties were revalued on the basis of Fair Value as at 31 March 2016 and the revaluation has been adopted as at the transition date of 1 April 2014. As permitted by the transitional provisions of FRS 102 this valuation has been treated as deemed cost.

11. INVESTMENTS AT MARKET VALUE

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total £'000	2020 Total £'000
Listed Investments	17,372	2,538	694	20,604	32,487
Dealing Account	24,170	5	15	24,190	7,123
	<u>41,542</u>	<u>2,543</u>	<u>709</u>	<u>44,794</u>	<u>39,610</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

11. INVESTMENTS AT MARKET VALUE (CONTINUED)

SUMMARY OF SHARES AND OTHER SECURITIES

	Endowment Funds £'000	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total £'000
As at 1 April 2020	28,262	3,636	589	32,487
Additions	14,506	607	154	15,267
Disposals	(30,480)	(1,767)	(169)	(32,416)
Realised and unrealised losses	5,084	62	120	5,266
As at 31 March 2021	<u>17,372</u>	<u>2,538</u>	<u>694</u>	<u>20,604</u>

COST OF INVESTMENTS

31 March 2021	<u>20,085</u>	<u>3,176</u>	<u>487</u>	<u>23,748</u>
<i>31 March 2020</i>	<u>16,288</u>	<u>1,250</u>	<u>452</u>	<u>17,990</u>

12. DEBTORS

	2021 £'000	2020 £'000
Prepayments	4	704
Accrued income	<u>35</u>	<u>41</u>
	<u>39</u>	<u>745</u>

13. CREDITORS

	2021 £'000	2020 £'000
Trade creditors	64	97
Other creditors	1	1
Accruals	<u>852</u>	<u>327</u>
	<u>917</u>	<u>425</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

14. ANALYSIS OF CHARITABLE FUNDS

	At 1 April 2020 (restated) £'000	Income £'000	Resources expended £'000	Gains on investments £'000	Transfers between funds £'000	At 31 March 2021 £'000
Permanent endowments						
Dulwich Estate	8,453	-	(31)	735	-	9,157
Newman Trust	2	-	-	-	-	2
Mrs Irene Buckman	21	-	-	(1)	-	20
Boys' School Fund	-	-	-	-	12,443	12,443
Girls' School Fund	-	-	-	(16)	9,000	8,984
Veritas Fund	-	-	-	-	6,000	6,000
Investment property Fund						
City Road	25,463	-	(176)	3,606	(21,443)	7,450
College Terrace	7,252	-	(22)	760	(6,000)	1,990
Burseries & Prizes	1,000	-	(6)	-	-	994
Land and buildings	78,391	1,281	(732)	-	-	78,940
Total	120,582	1,281	(967)	5,084	-	125,980
Restricted funds						
Prizes and grants	160	2	(1)	-	-	161
Bendy	831	14	(2)	120	-	963
Newman Trust	3	-	-	-	-	3
Mrs Irene Buckman	3	1	-	-	-	4
Total	997	17	(3)	120	-	1,131
General operational Fund						
	8,604	1,610	(1,048)	62	-	9,228
Designated fund						
	2,130	-	(290)	-	-	1,840
Total	10,734	1,610	(1,338)	62	-	11,068
Total	132,313	2,908	(2,308)	5,266	-	138,179

ENDOWMENT FUNDS

The Dulwich Estate permanent endowment was created by capital distributions from the Dulwich Estate totalling £5,705,600 received in 1996, 2000, 2012, 2013 and 2014. The income can be used for the general purpose of the Foundation.

Newman Trust was established in 1998 from a transfer of funds from The Bishopsgate Foundation. The fund is for the provision of prizes and to help and support needy pupils.

Mrs Irene Buckman, a former pupil of the Girls' School and a former governor and trustee, donated £16,667 in the year ended 31 March 2005, the income from which is to be used for girls who go on to higher education.

The Investment property fund represents the net proceeds from the sale of land bordering City Road, and land at College Terrace in Tower Hamlets. The Charity Commissioners have directed that the net proceeds be included as part of the permanent endowment funds. The income can be used for the general purposes of the Foundation.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

14. ANALYSIS OF CHARITABLE FUNDS (cont.)

ENDOWMENT FUNDS (cont)

The trustees intend to use part of the City Road endowment fund in the carrying out of the Boys' School refurbishment and partial redevelopment project. The Charity Commission has granted permission for up to £21.65 million of the fund to be used for Phase 1 of the project. Those funds spent to date have been transferred from the City Road endowment fund to the land and buildings endowment fund.

A Bursaries and Prize fund was created from the Endowment Funds as at 1 April 2018. The interest from these funds to be distributed to the two beneficiaries.

RESTRICTED FUNDS

The separate prizes and grants funds were merged with the Foundation under S74 of the Charities Act 1993 in 1996. The income and any accumulation of income is to be applied in promoting the education of the pupils attending the Boys' and Girls' Schools.

The Bendy fund was created in November 1999 by a legacy from a former pupil of the Central Foundation Boys' School, Mr Wilfred Bendy and Mrs Bendy. A Trustees Resolution under Section 275 of the Charities Act 2011 dated 18 June 2012 amended the purposes of the legacy to read as follows:

To advance education in engineering, science, technology and mathematics by:

- 1) the provision of grants, bursaries, scholarships, prizes, financial assistance and provisions of equipment to students at the Central Foundation Boys' School (the "School") and to persons who have been students at the School (in relation to the latter, in order to assist them to continue their education at University or other place of learning or to undertake training with a preference for those who go on to study or undertake training in engineering or related subjects);
- 2) the provision of facilities, equipment and services at the School;
- 3) the establishment and provision for the benefit of students at the school of after school, or other out of hours, clubs, courses and extra-curricular activities;
- 4) the provision and facilitation for the benefit of students at the School of careers advice, work experience, mentoring and related activities with the aim of assisting and encouraging students to undertake further education or training in engineering, science, technology and mathematics.

The Newman Trust and Mrs Irene Buckman funds represent income from the endowments described above.

UNRESTRICTED FUNDS

The General operational fund represents the free funds of the Foundation which are not designated for particular purposes.

The designated fund represents reserves set aside by the trustees to cover the present value of the Foundation's commitment to the Girls' School PFI contract.

The Revaluation Reserve arose from the revaluation of Functional Properties, carried out in 1998 and 2016.

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

15. COMPARATIVE INFORMATION

Analysis of income and expenditure in the year ended 31 March 2020 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2020</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>INCOME</i>				
<i>Donations and legacies</i>				
<i>Dulwich Estate</i>	505	-	-	505
<i>Gifts in kind</i>	-	-	4,925	4,925
<i>Investment income</i>				
<i>Rental income</i>	6	-	-	6
<i>Bank and other interest</i>	30	-	-	30
<i>Dividend income</i>	1,058	22	-	1,080
<i>Total income</i>	<u>1,599</u>	<u>22</u>	<u>4,925</u>	<u>6,546</u>
<i>EXPENDITURE</i>				
<i>Cost of raising funds</i>				
<i>Investment management fees</i>	26	3	190	219
<i>Charitable activities</i>				
<i>Support to schools</i>	1,287	3	800	2,090
<i>Total expenditure</i>	<u>1,313</u>	<u>6</u>	<u>990</u>	<u>2,309</u>
<i>Net income before losses on investments</i>	286	16	3,935	4,237
<i>Net gains on investments</i>	(257)	(49)	(3,382)	(3,688)
<i>Net income and net movement in funds</i>	<u>29</u>	<u>(33)</u>	<u>553</u>	<u>549</u>
<i>Reconciliation of funds</i>				
<i>Balances brought forward at 1 April 2019</i>	<u>10,705</u>	<u>1,030</u>	<u>120,029</u>	<u>131,764</u>
<i>Balances carried forward at 31 March 2020</i>	<u>10,734</u>	<u>997</u>	<u>120,582</u>	<u>132,313</u>

THE CENTRAL FOUNDATION SCHOOLS OF LONDON
NOTES TO THE ACCOUNTS (CONT)
YEAR ENDED 31 MARCH 2021

15. COMPARATIVE INFORMATION (CONTINUED)

Analysis of balance sheet at 31 March 2020 between restricted, unrestricted and endowment funds:

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2020</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
FIXED ASSETS				
<i>Tangible assets</i>	2	-	88,002	88,004
<i>Investments</i>	3,668	636	35,306	39,610
<i>Total Fixed Assets</i>	<u>3,670</u>	<u>636</u>	<u>123,308</u>	<u>127,614</u>
CURRENT ASSETS				
<i>Debtors</i>	44	-	701	745
<i>Cash at bank and in hand</i>	<u>7,445</u>	<u>361</u>	<u>(3,427)</u>	<u>4,379</u>
<i>Total Current Assets</i>	7,489	361	(2,726)	5,124
CURRENT LIABILITIES				
<i>Creditors</i>	<u>(425)</u>	<u>-</u>	<u>-</u>	<u>(425)</u>
NET CURRENT ASSETS	<u>7,064</u>	<u>361</u>	<u>(2,726)</u>	<u>4,699</u>
TOTAL NET ASSETS	<u>10,734</u>	<u>997</u>	<u>120,582</u>	<u>132,313</u>
THE FUNDS OF THE CHARITY:				
PERMANENT				
<i>ENDOWMENT FUNDS</i>	-	-	120,582	120,582
RESTRICTED FUNDS	-	997	-	997
UNRESTRICTED FUNDS				
<i>General operational fund</i>	8,604	-	-	8,604
<i>Designated fund</i>	2,130	-	-	2,130
TOTAL FUNDS	<u>10,734</u>	<u>997</u>	<u>120,582</u>	<u>132,313</u>