

THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

England & Wales · Charity number 312836

Details

Other names	HIGHER EDUCATION RESEARCH AND SPECIAL EXPENSES FUND, HERSEF
Status	Registered
Legal form	Other
Registered	1965-04-02
Register	View on the Charity Commission register

Contact

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Activities

Objects: THE OBJECTS OF THE CHARITY ARE FOR THE PUBLIC BENEFIT: 1)TO FURTHER THE EDUCATION OF PERSONS (INCLUDING PERSONS BORN OR RESIDENT IN THE CITY OF LONDON AND THOSE ATTENDING EDUCATIONAL INSTITUTIONS IN THE CITY OF LONDON OR THE OTHER LONDON BOROUGHES) ATTENDING OR PROPOSING TO ATTEND SECONDARY, FURTHER OR HIGHER EDUCATIONAL INSTITUTIONS BY THE PROVISION OF GRANTS OR FINANCIAL ASSISTANCE AND BY ARRANGING OR SUPPORTING EDUCATION AND TRAINING TO EXTEND OR COMPLEMENT COURSES PROVIDED BY SUCH INSTITUTIONS; 2)TO PROVIDE GRANTS FOR STAFF AT MAINTAINED SCHOOLS AND ACADEMIES IN THE CITY OF LONDON AND THE OTHER BOROUGHES OF LONDON TO UNDERTAKE STUDIES EITHER AT EDUCATIONAL INSTITUTIONS OR AT OTHER ESTABLISHMENTS PROVIDED THAT SUCH STUDY FURTHERS THEIR DEVELOPMENT AS TEACHERS.

Activities: Financial assistance is available through the Higher Education Research and Special Expenses Fund to assist deserving young persons following special technical courses full-time at secondary schools or

establishments of further education in the area formerly under the control of the London County Council (under Clause 1), and teachers and lecturers in the former LCC area (Clause 2).

Classification

- **How:** Makes Grants To Individuals
- **What:** Education/training
- **Who:** Children/young People, Other Defined Groups

Geography

- **Area of benefit:** ADMINISTRATIVE COUNTY OF LONDON.
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£43,515	£16,899	-	-
2024-03-31	£40,009	£16,875	-	-
2023-03-31	£47,740	£520,584	-	-
2022-03-31	£61,679	£8,571	-	-
2021-03-31	£46,888	£0	-	-

Trustees

Name	Role	Appointed
City of London Corporation		2016-04-01

Accounts

The City of London Corporation Combined Education Charity

Annual Report and Financial Statements for the
year ended 31 March 2025

Charity registration number 312836

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ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid for support provided to the City Educational trust Fund and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2024/25 were as follows:

- Education Board Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee;
- Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held at the Trustee's discretion in public (except where it is considered not to be in the charity's best interests to do so), supporting a decision-making process which is clear, transparent, and publicly accountable.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance was completed, which has resulted in the new

strategic grant making programme detailed below. Reference was made to the good practices recommended within the Charity Governance Code throughout this review, and the outcome has been to both ensure regulatory compliance and deliver an efficient and effective charity that maximises impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further, or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1022138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 19.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the e-mail address on page 19. The assessment, management and oversight of the charity's grant making is provided by the Central Funding and Charities Management Team (CFCMT), which is an internal department of the City Bridge Foundation.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of

London or London boroughs and studying or proposing to study at secondary, further, or higher educational institutions *or* studying or proposing to study at secondary, further or higher educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

ACHIEVEMENTS AND PERFORMANCE

In October 2022 a grant of £180,000 over 3 years was awarded to Birkbeck, University of London to provide 36 new bursaries supporting those moving from a Foundation Year course to undergraduate degrees and delivering a holistic support package. This grant supports students who do not have a usual route into Higher Education and struggle to get funding support.

In February 2023 a grant of £320,000 over 3 years was awarded to Goldsmiths, University of London to provide 35 new bursaries supporting Black Asian and Minority Ethnic students studying undergraduate degrees and delivering an educational enrichment package. As with the Birkbeck grant, the grant supports students who do not have a usual route into Higher Education and struggle to get funding support.

Throughout the year the Central Funding and Charities Management Team (CFCMT) continue to engage with the funded partners holding regular check in meetings, attending events and meeting beneficiaries of the grants.

PLANS FOR FUTURE PERIODS

Ongoing monitoring and evaluation of the existing grants continues; Birkbeck is due to come to the end of its grant period November 2025, whilst Goldsmiths will be entering its final grant year from September 2025. The CFCMT is developing a proposal for the future trajectory of the Charity once these grants come to an end.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided and that there is regular reporting to the Education Board. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

As a matter of corporate practice, the City of London Corporation Combined Education Charity's risk register is reported to the Education Board annually and at the same time as the Trustee's Report and Financial Statements. Where there are substantive changes to the Charity's risks during the year these may also be reported to the Education Board. The Board is responsible for day-to-day management and on-going review and monitoring of the Charity's risks under the wide delegations which have been given to manage and administer the Charity. The Board has adopted the City Corporation's risk management procedures in administering the Charity and has identified five areas of risk to the Charity: poor financial management; insufficient beneficiaries; poor operation management and poor governance;. All these risks are proactively managed by the CFCMT to maintain their current risk score. The CFCMT will continue to monitor the risks ensuring changes are logged and mitigating actions maintained.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2024/25 the charity's total income for the year was £43,514, an overall increase of £3,505 from the prior year (2023/24: £40,009). All income received was from investments. Income increased during the year due to income returns on the Charities Pool investments increasing per unit compared to 2023/24, offsetting the fact that by the end of the year CEC held fewer units in the Charities Pool because of investment disposals.

Expenditure

Expenditure costs of administering and managing the charity was £16,899 for 2024/25; (2023/24: £16,875), in line with the prior year. There were no new grants awarded in either 2024/25 or 2023/24 due to the level of activity in 2022/23.

Investments performance

Over the course of 2024/25 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +11.44% which was above the FTSE All Share Index benchmark return of +10.46% (2023/24: the investment strategy gained +14.18% versus +8.43% from the benchmark). Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown in the table below. The Charities Pool invests in the Artemis Income (Exclusions) Fund, which is an unconstrained, multi-cap strategy that aims to generate a rising income stream combined with long-term capital growth. The Fund invests in UK equities, and can also hold international equities and bonds. Shares in companies that derive more than 20% of their revenues from tobacco, gambling, weapons and fossil fuels are excluded.

	2024/25		2023/24	
	3 year	5 year	3 year	5 year
City of London Charities Pool	9.16%	13.56%	9.03%	7.62%
FTSE All Share	7.22%	12.04%	8.05%	5.44%
Fund outperformance	+1.94%	+1.52%	+0.98%	+2.18%

Funds held

The charity's total funds held increased by 10.2% to £1,041,193 at 31 March 2025 (2023/24: £945,149), mainly as a result of the significant net gain in investment during the year. Within the total funds held, £910,165 (£2023/24: £856,662) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted funds amounted to £131,028 (2023/24: £88,487). These funds are held for use in future years in accordance with the objectives of the Trust.

Details of all funds held, including their purposes, is set out within note 11 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee believes that a minimum amount of £20,701 should be held to meet future working capital needs. This amount is subject to annual review. At 31 March 2025 the charity held £131,027 as free reserves which is currently above reserves target - management are developing a plan for next activity based on available reserves to be presented in 2025/26 for approval. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for future financial years as detailed in the Plans for Future Periods on page 5.

TRUSTEE'S RESPONSIBILITIES

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

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they 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 financial statements, the Trustee is required to:

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

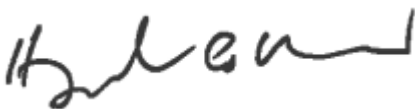
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is 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.

In so far as the Trustee is aware:

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

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst,
Chairman of Finance Committee of
The City of London Corporation

Guildhall, London

7th January 2026



Andrien Gereith Dominic Meyers,
Deputy Chairman of Finance
Committee of The City of London
Corporation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

I report to the trustees on my examination of the accounts of The City of London Corporation Combined Education Charity for the year ended 31 March 2025 which are set out on pages 10 to 18.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Vincent Marke, FCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £	Endowment Funds £	2025 Total Funds £	2024 Total Funds £
Income from:					
Investments	2	43,515	-	43,515	40,009
Total income		43,515	-	43,515	40,009
Expenditure on:					
Charitable activities	3	16,899	-	16,899	16,875
Total expenditure		16,899	-	16,899	16,875
Net gains on investments	8	15,910	53,503	69,413	112,779
Net gains on short term deposit		15	-	15	42
Net income and net movement in funds		42,541	53,503	96,044	135,955
Reconciliation of funds:					
Total funds brought forward	10	88,487	856,662	945,149	809,194
Total funds carried forward	10	131,028	910,165	1,041,193	945,149

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 18 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 Total £	2024 Total £
Fixed assets			
Investments	8	1,180,913	1,261,505
Total fixed assets		1,180,913	1,261,505
Current assets			
Cash at bank and in hand		17,030	13,644
Total current assets		17,030	13,644
Creditors: Amounts falling due within one year	9	(156,750)	(173,250)
Net Current Liabilities		(139,720)	(159,606)
Total Assets less current liabilities		1,041,193	1,101,899
Creditors - Amounts falling after one year	9	-	(156,750)
Total net assets		1,041,193	945,149
The funds of the charity:			
Endowment funds	10	910,165	856,662
Unrestricted income funds	10	131,028	88,487
Total funds		1,041,193	945,149

The notes on pages 12 to 18 form part of these financial statements.

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

7th January 2026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the current global outlook and potential impact on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required and the costs are recharged to the charity.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1022138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can

also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2024/25 £	Unrestricted funds 2023/24 £
Investment income	40,847	38,141
Interest	2,668	1,868
Total	43,515	40,009

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Unrestricted funds Support costs £	Total 2024/25 £	Unrestricted funds total 2023/24 £
Support costs	-	16,899	16,899	16,875

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities £	Governance costs £	Total 2024/25 £	Total 2023/24 £
Legal fees	51	-	51	360
Management fees	10,528	-	10,528	14,122
Finance and administration fees	3,122	-	3,122	450
Independent Examination Fees	-	3,198	3,198	1,943
Sub- total	13,701	3,198	16,899	16,875
Reallocation of governance costs	3,198	(3,198)	-	-
Total support costs	16,899	-	16,899	16,875

Support costs are allocated based on direct costs incurred on charitable activities.

5. ANALYSIS OF GRANTS

Reconciliation of grants payable:	2024/25	2023/24
	£	£
Commitments at 1 April	330,000	476,000
Grants paid in the year	(173,250)	(146,000)
Commitments at 31 March (note 9)	156,750	330,000

6. INDEPENDENT EXAMINER'S REMUNERATION

In 2024/25, a £3,198 independent examination fee was recharged (2023/24: £1,943). No other services were provided to the charity by its independent examiners during the year.

7. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2024/25 (2023/24: £nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1022138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2025	2024
	£	£
Market value 1 April	1,261,505	1,148,726
Disposals	(150,005)	-
Gain/(Loss) for the year	69,413	112,779
Market value 31 March	1,180,913	1,261,505
Cost 31 March	573,046	650,383
Units held in Charities Pool	111,776	126,861

The geographical spread of listed investments as at 31 March was as follows:

	Held in the UK	Held outside the UK	Total at 31 March 2025	Held in the UK	Held outside the UK	Total at 31 March 2024
	£	£	£	£	£	£
Equities	993,624	129,361	1,122,985	1,061,434	138,190	1,199,624
Pooled Units	44,049	-	44,049	47,055	-	47,055
Cash held by Fund Manager	13,879	-	13,879	14,826	-	14,826
Total	1,051,552	129,361	1,180,913	1,123,315	138,190	1,261,505

9. CREDITORS

Creditors - Amounts falling due within one year

	2025	2024
	£	£
Grant Liabilities	156,750	173,250

Creditors - Amounts falling due in more than one year

Grant Liabilities	-	156,750
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10. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2025

	Unrestricted General funds	Endowment funds	Total at 31 March 2025
	£	£	£
Fixed assets - investments	270,748	910,165	1,180,913
Current assets	17,030	-	17,030
Current liabilities	(156,750)	-	(156,750)
Total	131,028	910,165	1,041,193

At 31 March 2024

	Unrestricted General funds	Endowment funds	Total at 31 March 2024
	£	£	£
Fixed assets - investments	426,121	835,384	1,261,505
Current assets	13,644	-	13,644
Total liabilities	(330,000)	-	(330,000)
Total	109,765	835,384	945,149

11. MOVEMENT IN FUNDS

At 31 March 2025	Total as at 1 April 2024 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2025 £
Endowment funds:					
Expendable endowment	856,662	-	-	53,503	910,165
Unrestricted funds:					
General funds	88,487	43,514	(16,899)	15,925	131,027
Total funds	945,149	43,514	(16,899)	69,428	1,041,192

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2024 £
Endowment funds:					
Expendable endowment	781,978	-	-	74,684	856,662
Unrestricted funds:					
General funds	27,216	40,009	(16,875)	38,137	88,487
Total funds	809,194	40,009	(16,875)	112,821	945,149

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2024/25 £	2023/24 £	Detail of transaction
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	40,847 (-)	38,141 (-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	16,899 (-)	16,875 (-)	Management and administration fees recharged to the charity

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINER:

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. 1000 BX1 1LT

FUND MANAGER:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain & Chief Financial Officer, to request copies of governance documents:

CHBOffice-BusinessSupport@cityoflondon.gov.uk

Accounts

The City of London Corporation Combined Education Charity

Annual Report and Financial Statements for the
year ended 31 March 2024

Charity registration number 312836

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ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid for support provided to the City Educational trust Fund and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2023/24 were as follows:

- Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:
- Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held at the Trustee's discretion in public (except where it is considered not to be in the charity's best interests to do so), supporting a decision-making process which is clear, transparent, and publicly accountable.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance was completed, which has resulted in the new strategic grant making programme detailed below. Reference was made to the good practices recommended within the Charity Governance Code throughout this review, and the outcome has been to both ensure regulatory compliance and deliver an efficient and effective charity that maximises impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further, or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1022138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 18.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the public and satisfies the public benefit test.

Policy on grant making.

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the e-mail address on page 18. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU), which is an internal department of the City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of London or London boroughs and studying or proposing to study at secondary, further, or higher educational institutions or studying or proposing to study at secondary, further or higher educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

ACHIEVEMENTS AND PERFORMANCE

At the Education Board in July 2021 Members agreed to Corporate Charities Review Recommendations that that authority be delegated to the Managing Director of Bridge House Estates, in consultation with the Education Strategy Unit Team in the Community & Children's Services Department, to develop options, within the parameters of the charitable purposes of the CEC, for a strategic and efficient funding programme for the application of the charity's income, with formal proposals being brought back to Members for consideration and approval.

Officers from the Central Grants Unit (CGU) have spent the year exploring strategic partnerships with universities to deliver a range of comprehensive bursary schemes in line with the objects of the CEC. Meetings have taken place with Birkbeck University, who had recently held a strategic grant from the CEC, as well as Goldsmiths University.

At its meeting in October 2022 Members of the Education Board approved funding of £180,000 is recommended over three years to provide 36 new bursaries supporting those moving from a Foundation Year course to undergraduate degrees and delivering a holistic support package. This grant will support students who do not have a usual route into Higher Education and struggle to get funding support. The holistic package of support will provide the bursary students with the appropriate tools to further their university education. This project will deliver on the objects of the CEC as it will deliver financial assistance and support that will further the students' study.

At its meeting in February 2023 the Education Board approved funding of £320,000 to Goldsmiths University over three years to provide 35 new bursaries supporting Black Asian and Minority Ethnic students studying undergraduate degrees and delivering an educational enrichment package. The grant will support students who do not have a usual route into Higher Education and struggle to get funding support. The holistic package of support will provide the bursary students with the appropriate tools to further their university education. This project will deliver on the objects of the CEC, delivering financial assistance and support that will further students' study.

Throughout the year the CGU continued to engage with the funded partners holding regular check in meetings. Goldsmiths attended the Education Board in 2023/24 to update the Committee on the progress of the work and to thank the Board for its ongoing support.

PLANS FOR FUTURE PERIODS

The Central Grants Unit now has an expanded remit delivering Charitable Funding programmes on behalf of the City of London while managing 6 of its Charities. Ongoing the Unit will be referred to as the Central Funding and Charity Management Team (CFCMT). Ongoing monitoring and evaluation of projects by the Team will continue to ensure that projects are on track and delivering to their outlined aims.

Birkbeck University are expected to present at the Education Board in June 2024, updating the Board on the progress of the Foundation Year Funding. They are looking to bring students who have benefited from the bursary to speak at the meeting.

The Trustee does not consider there to be any material uncertainty around Going Concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2023/24 the charity's total income for the year was £40,009, an overall decrease of £7,731 from the prior year (2022/23: £47,740). All income received was from investments.

Expenditure

Expenditure costs of administering and managing the charity was £16,875 for 2023/24; (2022/23: £20,584). There was no new grant in 2023/24 compared to 2022/23 which had 2 grants (£500,000); as a result, Administration costs decreased.

Investments performance

Over the course of 2023/24 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +2.23% which was below the FTSE All Share Index benchmark return of +2.92% (2022/23: the investment strategy gained +11.1% versus +13.0% from the benchmark). Over the longer-term three and five year horizon, performance of the Charities Pool investments, as displayed in the table below, was above benchmark. The Charities Pool invests in the Artemis Income (Exclusions) Fund, which is an unconstrained, multi-cap strategy that aims to generate a rising income stream combined with long-term capital growth. The Fund invests in UK equities, and can also hold international equities and bonds. Shares in companies that derive more than 20% of their revenues from tobacco, gambling, weapons and fossil fuels are excluded.

	2023/24		2022/23	
	3 year	5 year	3 year	5 year
City of London Charities Pool	9.03%	7.62%	14.06%	5.64%
FTSE All Share	8.05%	5.44%	13.81%	5.04%
Fund outperformance	0.98%	2.18%	0.26%	0.61%

Funds held

The charity's total funds held increased by 16.8% to 945,149 at 31 March 2024 (2022/23: £809,194), mainly as a result of the significant net gain investment during the year. Within the total funds held, £856,662 (£2022/23: £781,978) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted funds amounted to £88,487 (2022/23: £27,216). These funds are held for use in future years in accordance with the objectives of the Trust.

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee believes that a minimum amount of £22,000 should be held to meet future working capital needs. This amount is subject to annual review. At 31 March 2024 the charity held 88,487 as free reserves; the plans in place for a strategic grant making programme have brought reserves back in line with the target level. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for future financial years as detailed in the Plans for Future Periods on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. To embed sound practice, the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity, and that appropriate advice and support is provided. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE'S RESPONSIBILITIES

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

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they 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 financial statements, the Trustee is required to:

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

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is 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.

In so far as the Trustee is aware:

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

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation

Guildhall, London

31st October 2024



Randall Keith Anderson, Deputy
Deputy Chairman of Finance
Committee of The City of London
Corporation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

I report to the trustees on my examination of the accounts of The City of London Corporation Combined Education Charity for the year ended 31 March 2024 which are set out on pages 10 to 18.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Vincent Marke, FCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW
8 November 2024

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted Funds £	Endowment Funds £	2024 Total Funds £	2023 Total Funds £
Income from:					
Investments	2	40,009	-	40,009	47,740
Total income		40,009	-	40,009	47,740
Expenditure on:					
Charitable activities	3	16,875	-	16,875	520,584
Total expenditure		16,875	-	16,875	520,584
Net gains / (losses) on investments	8	38,095	74,684	112,779	(26,514)
Net Gains on short term deposit		42	-	42	(78)
Net income and net movement in funds		61,271	74,684	135,955	(499,436)
Reconciliation of funds:					
Total funds brought forward	11	27,216	781,978	809,194	1,308,630
Total funds carried forward	11	88,487	856,662	945,149	809,194

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 18 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 Total £	2023 Total £
Fixed assets			
Investments	8	1,261,505	1,148,726
Total fixed assets		1,261,505	1,148,726
Current assets			
Cash at bank and in hand		13,644	136,468
Total current assets		13,644	136,468
Creditors: Amounts falling due within one year	9	(330,000)	(212,000)
Net Current Assets		(316,356)	(75,532)
Total Assets less current liabilities		945,149	1,073,194
Creditors - Amounts falling after one year	9	-	(264,000)
Total net assets		945,149	809,194
The funds of the charity:			
Endowment funds	11	856,662	781,978
Unrestricted income funds	11	88,487	27,216
Total funds		945,149	809,194

The notes on pages 12 to 18 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

31st October 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required and the costs are recharged to the charity.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1022138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2023/24	Unrestricted funds 2022/23
	£	£
Investment income	38,141	45,429
Interest	1,868	2,311
Total	40,009	47,740

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Unrestricted funds Support costs	Total 2023/24	Unrestricted funds total 2022/23
	£	£	£	£
Grants awarded	-	16,875	16,875	520,584

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	Governance costs	Total 2023/24	Total 2022/23
	£	£	£	£
Legal fees	360	-	360	350
Management fees	14,122	-	14,122	16,025
Finance and administration fees	450	-	450	2,209
Independent Examination Fees	-	1,943	1,943	2,000
Sub- total	14,932	1,943	16,875	20,584
Reallocation of governance costs	1,943	(1,943)	-	-
Total support costs	16,875	-	16,875	20,584

Support costs are allocated based on direct costs incurred on charitable activities.

5. ANALYSIS OF GRANTS

Reconciliation of grants payable:	2023/24	2022/23
	£	£
Commitments at 1 April	476,000	-
Commitments made in the year	-	500,000
Grants paid in the year	(146,000)	(24,000)
Commitments at 31 March (note 9)	330,000	476,000

6. INDEPENDENT EXAMINER'S REMUNERATION

In 2023/24, a £1,943 independent examination fee was recharged (2022/23: £2,000). No other services were provided to the charity by its independent examiners during the year.

7. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2023/24 (2022/23: £nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1022138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2024	2023
	£	£
Market value 1 April	1,148,726	1,175,240
Gain/(Loss) for the year	112,779	(26,514)
Market value 31 March	1,261,506	1,148,726
Cost 31 March	650,383	650,383
Units held in Charities Pool	126,861	126,861

The geographical spread of listed investments as at 31 March was as follows:

	Held in the UK	Held outside the UK	Total at 31 March 2024	Held in the UK	Held outside the UK	Total at 31 March 2023
	£	£	£	£	£	£
Equities	1,061,434	138,190	1,199,624	932,076	156,227	1,088,303
Pooled Units	47,055	-	47,055	37,678	-	37,678
Cash held by Fund Manager	14,827	-	14,827	22,745	-	22,745
Total	1,123,316	138,190	1,261,505	992,499	156,227	1,148,726

9. CREDITORS

	2024	2023
	£	£
Grant Liabilities	330,000	212,000

Creditors - Amounts falling after one year

Grant Liabilities	-	264,000
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10. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2024

	Unrestricted General funds	Endowment funds	Total at 31 March 2024
	£	£	£
Fixed assets - investments	426,121	835,384	1,261,505
Current assets	13,644	-	13,644
Current liabilities	(330,000)	-	(330,000)
Total	109,765	835,384	945,149

At 31 March 2023

	Unrestricted General funds	Endowment funds	Total at 31 March 2023
	£	£	£
Fixed assets - investments	388,026	760,700	1,148,726
Current assets	115,190	21,278	136,468
Current liabilities	(212,000)	-	(212,000)
Total	291,216	781,978	1,073,194

11. MOVEMENT IN FUNDS

At 31 March 2024	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2024 £
Endowment funds:					
Expendable endowment	781,978	-	-	74,684	856,662
Unrestricted funds:					
General funds	27,216	40,009	(16,875)	38,137	88,487
Total funds	809,194	40,009	(16,875)	112,821	945,149

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2023 £
Endowment funds:					
Expendable endowment	799,536	-	-	(17,558)	781,978
Unrestricted funds:					
General funds	509,094	47,740	(520,584)	(9,034)	27,216
Total funds	1,308,630	47,740	(520,584)	(26,592)	809,194

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2023/24 £	2022/23 £	Detail of transaction
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	38,141	45,429	Distribution from the Charities Pool
		(-)	(-)	
City of London Corporation	The City of London Corporation is the Trustee for the charity	16,875	20,584	Management and administration fees recharged to the charity
		(-)	(-)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas - The Town Clerk and Chief Executive of the City of London Corporation (appointed 06 February 2024)

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2023)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINER:

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. 1000 BX1 1LT

FUND MANAGER:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain & Chief Financial Officer, to request copies of governance documents:

CHBOffice-BusinessSupport@cityoflondon.gov.uk

Accounts

The City of London Corporation Combined Education Charity

Annual Report and Financial Statements for the
year ended 31 March 2023

Charity registration number 312836

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ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid for support provided to the City Educational trust Fund and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2022/23 were as follows:

- Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:
- Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held at the Trustee's discretion in public (except where it is considered not to be in the charity's best interests to do so), supporting a decision-making process which is clear, transparent and publicly accountable.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance was completed, which has resulted in the new strategic grant making programme detailed below. Reference was made to the good practices recommended within the Charity Governance Code throughout this review, and the outcome has been to both ensure regulatory compliance and deliver an efficient and effective charity that maximises impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 19.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the e-mail address on page 19. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU), which is an internal department of the City of London Corporation. Grants are

recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of London or London boroughs and studying or proposing to study at secondary, further or higher educational institutions or studying or proposing to study at secondary, further or higher educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

ACHIEVEMENTS AND PERFORMANCE

Following a review of the charity's governance and operations, recommendations were presented in 2021/22 for a strategic grants programme to be developed. The programme focusses on developing strategic partnerships with London universities to deliver a range of comprehensive bursary schemes in line with the objects of the CEC. In 2022/23 two grants were approved; the first in October 2022 was a grant of £180,000 to Birkbeck University (who have previously been funded by the charity), to provide 36 new bursaries over 3 years supporting those moving from a Foundation Year course to undergraduate degrees, alongside delivering a holistic support package. This grant will support students who do not have a usual route into Higher Education and struggle to get funding support, whilst providing a wider support package to give students the tools to further their university education.

The second grant (awarded in February 2023) was to Goldsmiths University, for £320,000 over three years to provide 35 new bursaries supporting Black, Asian and Minority Ethnic students studying undergraduate degrees. The funding also allows the university to deliver an educational enrichment package alongside the monetary support.

PLANS FOR FUTURE PERIODS

With two large grants delivered via the strategic grants programme in 2022/23, the focus over the next year will be on ensuring appropriate ongoing monitoring and evaluation of the funded projects.

The Trustee does not consider there to be any material uncertainty around Going Concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2022/23 the charity's total income for the year was £47,470, an overall decrease of £13,939 from the prior year (2021/22: £61,679). All income received was from investments.

Expenditure

Expenditure was £520,584 (2021/22: £8,571) made up of 2 grants (£500,000; 2021/22 nil) and costs of administering and managing the charity (£20,584; 2021/22: £8,571). Administration costs have risen due to the implementation of the new strategic grant making programme including management of the two grants awarded in the year.

Investments performance

Over the course of 2022/23 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +2.22% which was below the FTSE All Share Index benchmark return of +2.92% (2021/22: the investment strategy gained +11.1% versus +13.0% from the benchmark). However, over the longer-term three and five year horizon, performance of the Charities Pool investments, as displayed in the table below, was above benchmark.

With effect from 22 July 2022, the Charities Pool transferred its investments from the Artemis Income Fund to the Artemis Income (Exclusions) Fund, which is an unconstrained, multi-cap strategy that aims to generate a rising income stream combined with long-term capital growth. The Fund invests in UK equities, and can also hold international equities and bonds. Shares in companies that derive more than 20% of their revenues from tobacco, gambling, weapons and fossil fuels are excluded.

	2022/23		2021/22	
	3 year	5 year	3 year	5 year
City of London Charities Pool	14.06%	5.64%	7.35%	6.16%
FTSE All Share	13.81%	5.04%	5.31%	4.69%
Fund outperformance	0.26%	0.61%	2.04%	1.46%

Funds held

The charity's total funds held decreased by 38.2% to £809,194 at 31 March 2023 (2021/22: £1,308,630), mainly as a result of the significant grant expenditure incurred during the year. Within the total funds held, £781,978 (£2021/22: £799,536) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted funds amounted to £27,216 (2021/22: £509,094). These funds are held for use in future years in accordance with the objectives of the Trust.

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee believes that a minimum amount of £21,000 should be held to meet future working capital needs. This amount is subject to annual review. At 31 March 2023 the charity held £27,216 as free reserves; the plans in place for a strategic grant making programme have brought reserves back in line with the target level. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for future financial years as detailed in the Plans for Future Periods on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity, and that appropriate advice and support is provided. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE'S RESPONSIBILITIES

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

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they 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 financial statements, the Trustee is required to:

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

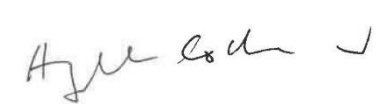
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is 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.

In so far as the Trustee is aware:

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

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst, Deputy

Chairman of Finance Committee of
The City of London Corporation,
Guildhall, London

24th January 2024



Randall Keith Anderson, Deputy

Deputy Chairman of Finance
Committee of The City of London
Corporation, Guildhall, London

24th January 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Independent examiner's report to the trustees of The City of London Corporation Combined Education Charity

I report to the trustees on my examination of the accounts of The City of London Corporation Combined Education Charity for the year ended 31 March 2023 which are set out on pages 10 to 18.

This report is made solely to the charity's trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity, the charity's members as a body and the charity's trustees as a body for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

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

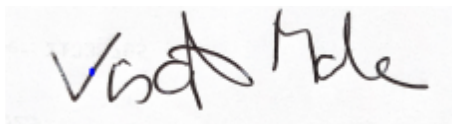
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

A handwritten signature in black ink, appearing to read 'Vincent Marke', is shown on a light-colored background.

Vincent Marke, FCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW
31 January 2024

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £	Endowment Funds £	2022/23 Total Funds £	2021/22 Total Funds £
Income from:					
Investments	2	47,740	-	47,740	61,679
Total income		47,740	-	47,740	61,679
Expenditure on:					
Charitable activities	3	520,584	-	520,584	8,571
Total expenditure		520,584	-	520,584	8,571
Net gains / (losses) on investments	8	(8,956)	(17,558)	(26,514)	53,534
Net losses on short term deposit		(78)	-	(78)	(664)
Net income and net movement in funds		(481,878)	(17,558)	(499,436)	105,978
Reconciliation of funds:					
Total funds brought forward	11	509,094	799,536	1,308,630	1,202,652
Total funds carried forward	11	27,216	781,978	809,194	1,308,630

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 18 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 Total £	2022 Total £
Fixed assets			
Investments	8	1,148,726	1,175,240
Total fixed assets		1,148,726	1,175,240
Current assets			
Cash at bank and in hand		136,468	133,390
Total current assets		136,468	133,390
Creditors: Amounts falling due within one year	9	(212,000)	-
Net Current Assets		(75,532)	1,308,630
Total Assets less current liabilities		1,073,194	
Creditors - Amounts falling after one year	9	(264,000)	
Total net assets		809,194	1,308,630
The funds of the charity:			
Endowment funds	11	781,978	799,536
Unrestricted income funds	11	27,216	509,094
Total funds		809,194	1,308,630

The notes on pages 12 to 18 form part of these financial statements.

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

24th January 2024

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material judgements or estimates related to the financial statements.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required and the costs are recharged to the charity.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Investment income	45,429	61,211
Interest	2,311	468
Total	47,740	61,679

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	Unrestricted funds Support costs £	Total 2022/23 £	Unrestricted funds total 2021/22 £
Grants awarded	500,000	20,584	520,584	8,571

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities £	Governance costs £	Total 2022/23 £	Total 2021/22 £
Legal fees	350	-	350	198
Management fees	16,025	-	16,025	6,623
Finance and administration fees	2,209	-	2,209	-
Independent Examination Fees	-	2,000	2,000	1,750
Sub- total	18,584	2,000	20,584	8,571
Reallocation of governance costs	2,000	(2,000)	-	-
Total support costs	20,584	-	20,584	8,571

Support costs are allocated based on direct costs incurred on charitable activities.

5. ANALYSIS OF GRANTS

Reconciliation of grants payable:	2022/23	2021/22
	£	£
Commitments at 1 April	-	-
Commitments made in the year	500,000	-
Grants paid in the year	(24,000)	-
Commitments at 31 March (note 9)	476,000	-

6. INDEPENDENT EXAMINER'S REMUNERATION

In 2022/23, a £2,000 independent examination fee was recharged (2021/22: £1,750). No other services were provided to the charity by its independent examiners during the year.

7. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2022/23 (2021/22: £nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2023	2022
	£	£
Market value 1 April	1,175,240	1,121,706
Gain/(Loss) for the year	(26,514)	53,534
Market value 31 March	1,148,726	1,175,240
Cost 31 March	650,383	650,383
Units held in Charities Pool	126,861	126,861

The geographical spread of listed investments as at 31 March was as follows:

	Held in the UK	Held outside the UK	Total at 31 March 2023	Held in the UK	Held outside the UK	Total at 31 March 2022
	£	£	£	£	£	£
Equities	932,076	156,227	1,088,303	955,603	133,455	1,089,058
Pooled Units	37,678	-	37,678	68,998	-	68,998
Cash held by Fund Manager	22,745	-	22,745	17,184	-	17,184
Total	992,499	156,227	1,148,726	1,041,785	133,455	1,175,240

9. CREDITORS

Creditors - Amounts falling due within one year

	2023	2022
	£	£
Grant Liabilities	212,000	-

Creditors - Amounts falling after one year

	2023	2022
	£	£
Grant Liabilities	264,000	-

10. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2023

	Unrestricted General funds	Endowment funds	Total at 31 March 2023
	£	£	£
Fixed assets - investments	388,026	760,700	1,148,726
Current assets	115,190	21,278	136,468
Current liabilities	(212,000)	-	(212,000)
Total	291,216	781,978	1,073,194

At 31 March 2022

	Unrestricted General funds	Endowment funds	Total at 31 March 2022
	£	£	£
Fixed assets - investments	396,981	778,259	1,175,240
Current assets	112,112	21,278	133,390
Total	509,093	799,537	1,308,630

11. MOVEMENT IN FUNDS

At 31 March 2023	Total as at 1 April 2022	Income	Expenditure	Gains & (losses)	Total as at 31 March 2023
	£	£	£	£	£
Endowment funds:					
Expendable endowment	799,536	-	-	(17,558)	781,978
Unrestricted funds:					
General funds	509,094	47,740	(520,584)	(9,034)	27,216
Total funds	1,308,630	47,740	(520,584)	(26,592)	809,194

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	Total as at 31 March 2022
	£	£	£	£	£
Endowment funds:					
Expendable endowment	764,086	-	-	35,450	799,536
Unrestricted funds:					
General funds	438,566	61,679	(8,571)	17,420	509,094
Total funds	1,202,652	61,679	(8,571)	52,870	1,308,630

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2022/23 £	2021/22 £	Detail of transaction
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	45,429 (-)	61,211 (-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	20,584 (-)	8,571 (-)	Management and administration fees recharged to the charity

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas - The Town Clerk and Chief Executive of the City of London Corporation (appointed 06 February 2023)

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINER:

Crowe U.K. LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. 1000 BX1 1LT

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain & Chief Financial Officer, to request copies of governance documents:

CHBOffice-BusinessSupport@cityoflondon.gov.uk

Accounts

The City of London Corporation Combined Education Charity

Annual Report and Financial Statements for the
year ended 31 March 2022

Charity registration number 312836

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ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing, which has resulted in the new strategic grant making programme detailed below in 'plans for future periods'. Reference is being

made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 18.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU), which is an internal department of the City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of London or London boroughs and studying or proposing to study at secondary, further or higher educational institutions or studying or proposing to study at secondary, further or higher educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

Grants will be primarily given to organisations, and organisations applying on behalf of individuals or groups of individuals. In exceptional circumstances applications from individuals may also be considered at the Trustee's discretion and such applications should be supported by proof that the individual applicant has unsuccessfully made determined efforts to access sufficient funds from elsewhere to enable them to attend or continue to attend secondary, further or higher educational institutions to further their education. Applications that benefit groups of individuals will be given priority over applications that benefit one individual.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 18.

ACHIEVEMENTS AND PERFORMANCE

A review of the City of London Corporation Combined Education Charity's activities took place during the year, to ensure that the charity is operating effectively and has appropriate governance in place. Following the review, recommendations were made that the charity's surplus income reserves be spent on a strategic grant making programme over the two years to 2024/25. The grant programme will work in partnership with educational institutions to distribute an anticipated £500k. Due to the new approach, no grants were awarded in the year but the programme was agreed post year end and grant for bursary programmes at London universities were awarded in 2022/23.

PLANS FOR FUTURE PERIODS

The new strategic grants programme has commenced in 2022/23.

The trustee does not consider there to be any material uncertainty around Going Concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £61,680, an overall increase of £14,792 from the prior year (2020/21: £46,888). All income received was from investments.

Expenditure

Expenditure was £8,571 (2020/21: £5,485) mainly management and administration fees (£6,623) and independent examination fees (£1,750). The City Corporation, as Trustee, commenced reimbursement of costs relating to the administration of the charity in 2021/22. No new grants were awarded in 2021/22 due to the strategic review and work on developing a new grants programme that will commence in 2022/23.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three- and five-year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	5 year	3 year	5 year
City of London Charities Pool	7.35%	6.16%	5.04%	7.19%
FTSE All Share	5.31%	4.69%	3.19%	6.29%
Fund outperformance	2.04%	1.46%	1.85%	0.90%

Funds held

The charity's total funds held increased by 8.8% to £1,308,630 at 31 March 2022 (2020/21: £1,202,652), as a result of gains on investments held during the year. Within the total funds held, £799,536 (£2020/21: £764,086) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted income funds amounted to £509,094 (2020/21: £438,566). These funds are held for use in future years in accordance with the objectives of the Trust.

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee believes that a minimum amount of £9,000 should be held to meet future working capital needs. This amount is subject to annual review. At 31 March 2022 the charity held £509,094 as free reserves; the plans in place for a strategic grant making programme are expected to bring reserves back in line with the target level over the next two years. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for future financial years as detailed in the Plan for Future Periods on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity, and that appropriate advice and support is provided. The charity is in the process of updating its risk assessment process and developing a revised risk register. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE'S RESPONSIBILITIES

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

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they 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 financial statements, the Trustee is required to:

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

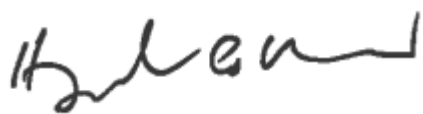
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is 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.

In so far as the Trustee is aware:

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

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation

Guildhall, London

31 January 2023



Randall Keith Anderson, Deputy
Deputy Chairman of Finance
Committee of The City of London
Corporation

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

I report to the Trustee on my examination of the accounts of The City of London Corporation Combined Education Charity for the year ended 31 March 2022 which are set out on pages 10 to 17.

This report is made solely to the charity's Trustee, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the charity's Trustee those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustee as a body, for my independent examiner's work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity Trustee of the Trust the Trustee as a body is responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

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

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tina Allison, FCCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW

31 January 2023

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	2021/22 Total Funds £	2020/21 Total Funds £
Income from:					
Investments	2	61,679	-	61,679	46,888
Total income		61,679	-	61,679	46,888
Expenditure on:					
Charitable activities	3	8,571	-	8,571	(5,485)
Total expenditure		8,571	-	8,571	(5,485)
Net gains on investments	7	18,084	35,450	53,534	221,373
Net losses on short term deposit		(664)	-	(664)	60
Net income and net movement in funds		70,528	35,450	105,978	273,806
Reconciliation of funds:					
Total funds brought forward	9	438,566	764,086	1,202,652	928,846
Total funds carried forward	9	509,094	799,536	1,308,630	1,202,652

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 17 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets			
Investments	7	1,175,240	1,121,706
Total fixed assets		1,175,240	1,121,706
Current assets			
Cash at bank and in hand		133,390	80,946
Total current assets		133,390	80,946
Total net assets		1,308,630	1,202,652
The funds of the charity:			
Endowment funds	9	799,536	764,086
Unrestricted income funds	9	509,094	438,566
Total funds		1,308,630	1,202,652

The notes on pages 12 to 17 form part of these financial statements.

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

31 January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can

also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	61,211	46,260
Interest	468	628
Total	61,679	46,888

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs	Support costs	Total	Direct costs	Support costs	Total
	£	£	£	£	£	£
Grants awarded	-	8,571	8,571	(7,200)	1,715	(5,485)

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	Governance costs	Total	Total
	£	£	2021/22 £	2020/21 £
Legal fees	198	-	198	-
Management fees	6,623	-	6,623	1,715
Independent Examination Fees	-	1,750	1,750	-
Sub- total	6,821	1,750	8,571	1,715
Reallocation of governance costs	1,750	(1,750)	-	-
Total support costs	8,571	-	8,571	1,715

Support costs are allocated on the basis of direct costs incurred on charitable activities.

5. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the audit/independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 £1,750 independent examination fee was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year.

6. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

7. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022 £	2021 £
Market value 1 April	1,121,706	900,333
Gain/(Loss) for the year	53,534	221,373
Market value 31 March	1,175,240	1,121,706
Cost 31 March	650,383	650,383
Units held in Charities Pool	126,861	126,861

The type of listed investments held at 31 March was as follows:

	Held in the UK £	Held outside the UK £	Total at 31 March 2022 £	Held in the UK £	Held outside the UK £	Total at 31 March 2021 £
Equities	955,603	133,455	1,089,058	916,077	130,356	1,046,433
Bonds			-			-
Pooled Units	68,998	-	68,998	60,005	-	60,005
Cash held by Fund Manager	17,184	-	17,184	15,268	-	15,268
Total	1,041,785	133,455	1,175,240	991,350	130,356	1,121,706

8. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022

	Unrestricted General funds	Endowment funds	Total at 31 March 2022	Total at 31 March 2021
	£	£	£	£
Fixed assets - investments	396,981	778,259	1,175,240	1,121,706
Current assets	112,112	21,278	133,390	80,946
Total	509,093	799,537	1,308,630	1,202,652

At 31 March 2021

	Unrestricted General funds	Endowment funds	Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£
Fixed assets - investments	378,898	742,808	1,121,706	900,333
Current assets	59,668	21,278	80,946	47,713
Current liabilities	-	-	-	(19,200)
Total	438,566	764,086	1,202,652	928,846

9. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	Total as at 31 March 2022
	£	£	£	£	£
Endowment funds:					
Expendable endowment	764,086	-	-	35,450	799,536
Unrestricted funds:					
General funds	438,566	61,679	(8,571)	17,420	509,094
Total funds	1,202,652	61,679	(8,571)	52,870	1,308,630

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Total as at 31 March 2021
	£	£	£	£	£
Endowment funds:					
Expendable endowment	617,490	-	-	146,596	764,086
Unrestricted funds:					
General funds	311,356	46,888	5,485	74,837	438,566
Total funds	928,846	46,888	5,485	221,433	1,202,652

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

10. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
London Academy Islington (LAI)	Yes - Two Members of the City of London are governors of the Academy	(-)	2,200	LAI grant application approved from the charity. (Revoked in 2020/21)
		(-)	(-)	
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	61,211	46,320	
		(-)	(-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	8,571	1,715	
		(-)	(-)	Management and administration fees

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINER:

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-DeputyChamberlain@cityoflondon.gov.uk

Accounts

**The City of London Corporation Combined
Education Charity**

**Annual Report and Financial Statements for the
year ended 31 March 2021**

Charity registration number 312836

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ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity;

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during 2019/20 and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus

is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 23.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU), which is an internal department of the City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of London or London boroughs and studying or proposing to study at secondary, further or higher educational institutions or studying or proposing to study at secondary, further or higher

educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

Grants will be primarily given to organisations, and organisations applying on behalf of individuals or groups of individuals. In exceptional circumstances applications from individuals may also be considered at the Trustee's discretion and such applications should be supported by proof that the individual applicant has unsuccessfully made determined efforts to access sufficient funds from elsewhere to enable them to attend or continue to attend secondary, further or higher educational institutions to further their education. Applications that benefit groups of individuals will be given priority over applications that benefit one individual.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 23.

ACHIEVEMENTS AND PERFORMANCE

A round of applications to the grant programme was opened in April 2020, with all grants assessed by the CGU. Due to the impact of the Covid-19 Pandemic only a few applications were received. As the charity could not forecast the level of income due to be available in 2020/21 as a result of the impact of the pandemic, it was recommended that the Education and Employment Programme closed for the rest of the financial year to ensure that the charity could build the income required to deliver meaningful grant programmes from April 2021 onwards.

The committee therefore rejected the two applications received and moved to close the programme for the rest of the financial year with no grants awarded in 2021. The CGU has since worked with the applicants to identify other funding bodies to approach to support the work that was applied for.

PLANS FOR FUTURE PERIODS

The Corporate Charity Review (CC Review), led by officers of the City Corporation, has included this charity within its remit to allow the Trustee to consider improved policy and administration arrangements in the best interests of charity. The existing grant making policy and available resources have been reviewed in order to assess a future grant making strategy. A proposal to run an ambitious spending programme was approved in principle in July 2021, to allow the charity to maximise its impact and address educational inequalities arising from the impact of Covid-19. Ongoing monitoring and evaluation of projects by the CGU will continue to ensure that projects are on track and delivering to their outlined aims.

The trustee does not consider there to be any material uncertainty around Going Concern and further detail regarding this is set out on page 16.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2020/21 the charity's total income for the year was £46,888, an overall increase of £4,130 against the previous year (2019/20: £42,758). All income received was from investments.

Expenditure

Expenditure was negative £5,485 (2019/20: £58,313), with 2 grants from prior years being revoked as they were not drawn down by the grantees. No new grants were awarded in 2020/21.

Investments performance

Financial markets recovered strongly over the twelve months to 31 March 2021 following the decline in asset prices in early 2020 during the emergence of the global pandemic. Under these conditions, investments held in the Charities Pool performed very well, generating a gross return of +30.72% for 2020/21 (2019/20: -14.78%) which compares favourably against the FTSE All Share Index benchmark return of +26.71% (2019/20 -18.45%). As a result, the longer-term performance of the Charities Pool investments, as displayed in the table below, has significantly improved compared to the position reported twelve months ago.

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
City of London Charities Pool	5.04%	7.19%	-2.44%	1.37%
FTSE All Share	3.19%	6.29%	-4.24%	0.57%
Fund outperformance	1.85%	0.90%	1.80%	0.80%

Funds held

The charity's total funds held increased by £273,806 or 29.5% to £1,202,652 as at 31 March 2021 (2019/20: £928,846), as a result of gains on investments held during the year. Within the total funds held, £764,086 (2019/20: £617,490) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted income funds amounted to £438,566 (2019/20: £311,356). These funds are held for use in future years in accordance with the objectives of the trust.

Details of all funds held, including their purposes, is set out within note 10 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee has revised its policy in 2020/21 to meet future working capital needs. The Trustees believe that a minimum amount of £5,000 should be held at present, which will be

subject to annual review. As at 31 March 2021 the charity held £438,566 as free reserves, amounts which are available to support charitable activities in future years. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for the 2021/22 financial year, as detailed in the Plan for Future Periods on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. The charity is in the process of updating its risk assessment process and developing a revised risk register. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE RESPONSIBILITIES

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

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they 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 financial statements, the Trustee is required to:

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

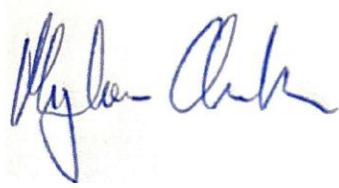
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is 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.

In so far as the Trustee is aware:

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

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

A handwritten signature in blue ink, appearing to read 'Jamie Ingham Clark'.

Jamie Ingham Clark FCA

**Chairman of Finance Committee of
The City of London Corporation**

A handwritten signature in blue ink, appearing to read 'Jeremy Paul Mayhew'.

Jeremy Paul Mayhew MA MBA

**Deputy Chairman of Finance Committee
of The City of London Corporation**

Guildhall, London

10 December 2021

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

Opinion on the financial statements

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 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.

We have audited the financial statements of The City of London Combined Education Charity ("the Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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. The other information comprises: Trustee's Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate 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 Trustee

As explained more fully in the Trustee's responsibilities statement, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the 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 Trustee either intends to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and the sector within which it operates. This included but was not limited to compliance with the Charities Act 2011, United Kingdom Accounting Standards, and tax legislation;
- We held discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- We requested and reviewed any regulatory correspondence, in particular compliance with the Charity Commission, and details of legal expenses;
- We addressed the risk of management override, in particular by testing any journal entries containing material or round sum amounts, and any irregular journals;
- We have considered the control environment at both entity level and financial statement level to consider the ability to detect and prevent fraud; and
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations that have a direct effect on the financial statements.

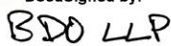
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

DA15AED75D45453...

Heather Wheelhouse, Senior Statutory Auditor
BDO LLP, statutory auditor
London, UK

14 December 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Endowment Funds £	2020/21 Total Funds £	2019/20 Total Funds £
Income from:					
Investments	2	46,888	-	46,888	42,758
Total income		46,888	-	46,888	42,758
Expenditure on:					
Charitable activities	3	(5,485)	-	(5,485)	58,313
Total expenditure		(5,485)	-	(5,485)	58,313
Net gains/(losses) on investments	7	74,777	146,596	221,373	(205,895)
Net gains/(losses) on short term deposit		60	-	60	-
Net income/(expenditure) and net movement in funds		127,210	146,596	273,806	(221,450)
Reconciliation of funds:					
Total funds brought forward	10	311,356	617,490	928,846	1,150,296
Total funds carried forward	10	438,566	764,086	1,202,652	928,846

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 16 to 22 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 Total £	2020 Total £
Fixed assets			
Investments	7	1,121,706	900,333
Total fixed assets		1,121,706	900,333
Current assets			
Cash at bank and in hand		80,946	47,713
Total current assets		80,946	47,713
Creditors: Amounts falling due within one year	8	-	(19,200)
Total net assets		1,202,652	928,846
The funds of the charity:			
Endowment funds	10	764,086	617,490
Unrestricted income funds	10	438,566	311,356
Total funds		1,202,652	928,846

The notes on pages 16 to 22 form part of these financial statements.

Approved and signed on behalf of the Trustee.



Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

9 December 2021

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the likely financial position in light of planned expenditure and the ongoing economic impact of Covid-19, and has not identified any indication that the charity will not be able to meet liabilities, including planned liabilities, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity despite previous reductions in investment values that occurred with Covid-19. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held

within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Investment income	46,260	42,455
Interest	628	303
Total	46,888	42,758

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	Total 2020/21 £	Direct costs £	Support costs £	Total 2019/20 £
Grants awarded	(7,200)	1,715	(5,485)	49,000	9,313	58,313

Two grants worth £7,200 were revoked in the year as a result of the recipients not drawing down the funds. See note 4 below for details.

4. ANALYSIS OF GRANTS AWARDED

Organisation funded	Total 2020/21 £	Total 2019/20 £
Birkbeck University of London	-	24,000
London South Teaching School Alliance, Charles Dickens Primary School	-	10,000
Queen Mary University of London	-	5,000
Royal Central School of Speech and Drama	-	5,000
The Architectural Association	-	5,000
Mountview Academy Theatre of Arts	(5,000)	-
City of London Academy Islington	(2,200)	-
Total	(7,200)	49,000

No grants were made in the year (2019/20: 5 organisations, with 5 projects supported). The average amount of a grant in 2019/20 equalled £9,800.

Reconciliation of grants payable:	2020/21 £	2019/20 £
Commitments at 1 April	19,200	7,200
Commitments made in the year	-	49,000
Grant adjustments and cancellations	(7,200)	-
Grants paid in the year	(12,000)	(37,000)
Commitments at 31 March (note 8)	-	19,200

5. AUDITOR'S REMUNERATION

The City Corporation's external auditor audits this charity as one of the numerous charities of which the City Corporation is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2020/21 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: £nil).

6. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2020/21 (2019/20: nil).

7. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2021 £	2020 £
Market value 1 April	900,333	1,106,228
Gain/(Loss) for the year	221,373	(205,895)
Market value 31 March	1,121,706	900,333
Cost 31 March	650,383	650,383
Units held in Charities Pool	126,861	126,861

The type of listed investments held as at 31 March was as follows:

	Held In the UK £	Held outside the UK £	Total at 31 March 2021 £	Held In the UK £	Held outside the UK £	Total at 31 March 2020 £
Equities	916,077	130,356	1,046,433	695,059	104,439	799,498
Pooled Units	60,005	-	60,005	64,824	-	64,824
Cash held by Fund Manager	15,268	-	15,268	36,011	-	36,011
Total	991,350	130,356	1,121,706	795,894	104,439	900,333

8. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2021 £	2020 £
Grants awarded (note 4)	-	19,200

9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2021

	Unrestricted General funds £	Endowment funds £	Total at 31 March 2021 £	Total at 31 March 2020 £
Fixed assets - investments	378,898	742,808	1,121,706	900,333
Current assets	59,668	21,278	80,946	47,713
Current liabilities	-	-	-	(19,200)
Total	438,566	764,086	1,202,652	928,846

At 31 March 2020

	Unrestricted General funds £	Endowment funds £	Total at 31 March 2020 £	Total at 31 March 2019 £
Fixed assets - investments	304,121	596,212	900,333	1,106,228
Current assets	26,435	21,278	47,713	51,268
Current liabilities	(19,200)	-	(19,200)	(7,200)
Total	311,356	617,490	928,846	1,150,296

10. MOVEMENT IN FUNDS

Movement in funds

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2021 £
Endowment funds:					
Expendable endowment	617,490	-	-	146,596	764,086
Unrestricted funds:					
General funds	311,356	46,888	5,485	74,837	438,566
Total funds	928,846	46,888	5,485	221,433	1,202,652

At 31 March 2020	Total as at 1 April 2019 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2020 £
Endowment funds:					
Expendable endowment	753,837	-	-	(136,347)	617,490
Unrestricted funds:					
General funds	396,459	42,758	(58,313)	(69,548)	311,356
Total funds	1,150,296	42,758	(58,313)	(205,895)	928,846

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

11. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2020/21 £	2019/20 £	Detail of transaction
London Academy Islington (LAI)	Yes - Two Members of the City of London are governors of the Academy	2,200 (-)	- (-)	LAI grant application approved from the charity. (Revoked in 2020/21)
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	46,320 (-)	42,455 (-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	1,715 (-)	9,313 (-)	Central Grants Unit management and administration fees

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

BDO LLP, 55 Baker Street, London, W1U 7EU

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk