

THE CHURCH SCHOOLS OF CAMBRIDGE (THE OLD SCHOOLS)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

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The Charity Commissioners granted a Certificate of Incorporation of the Trustees on 14 November 2000.

THE CHURCH SCHOOLS OF CAMBRIDGE (THE OLD SCHOOLS)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

CHARITY INFORMATION

CHARITY REGISTRATION NUMBER 311326

EX-OFFICIO TRUSTEES
The Rev'd Dr J Bunker Rector of the Parish of Ascension
The Rev'd M Beckett Vicar of St Paul's
The Rev'd S Taylor Vicar of St Philip's
Canon Adrian Daffern Vicar of Great St Mary's (appointed October 2018)

LAY TRUSTEES APPOINTED BY PCCs
Mrs G Ambrose Parish of Ascension
Mr D Farrer ** St Paul's
Mr A MacLellan*, ** St Philip's
Mr M Pettifer ** St Cuthbert's

LAY TRUSTEES APPOINTED BY THE
DIOCESAN BOARD OF EDUCATION
Mr A Read *

TRUSTEES APPOINTED BY THE
UNIVERSITY OF CAMBRIDGE
Dr K Carne *, **
Mrs T Pritchard*

TRUSTEE APPOINTED BY SOUTH
CAMBRIDGE DEANERY SYNOD
The Rev'd Dr R Nicholls

TRUSTEE APPOINTED BY NORTH
CAMBRIDGE DEANERY SYNOD
The Rev'd R Adams

CO-OPTED TRUSTEES ELECTED BY
THE BOARD FOR 5 YEARS
Dr J Ross
Mrs C Lowe
The Rev'd M Roberts*

CHAIRMAN OF THE BOARD
Dr K Carne

MANAGEMENT TEAM
Isobel Rawlinson supported by administrator and project officers

PRINCIPAL OFFICE
c/o St Philip's Church Centre
185 Mill Road, Cambridge, CB1 3AN

AUDITORS
Prentis & Co LLP
Chartered Accountants and Statutory Auditors
115c Milton Road, Cambridge, CB4 1XE

BANKERS
CAF Bank Ltd
25 Kings Hill, West Maling, Kent, ME19 4TA

SOLICITORS
Ashtons Legal, 77 Newmarket Road, Cambridge, CB5 8EU

SUBSIDIARY CHARITY TRUSTEE
Jesus Lane Sunday School Endowment Fund (charity no.311311)

* denotes member of the Executive Committee

** denotes member of the Finance Committee

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEES

The Trustees present their annual report together with the financial statements of the charity for the year ended 31st December 2018.

The financial statements comply with the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

The Church Schools of Cambridge (The Trust) is a registered charity, number 311326 and was founded in 1703 (known as The Old Schools) by the Rev'd William Whiston who raised funds from senior figures at the University to start seven schools which provided schooling for 260 poor children in Cambridge. The Church Schools of Cambridge now owns four primary schools in the City of Cambridge - St Luke's, St Paul's, St Philips and Park Street and has a minority interest in St Bede's Inter-Church School. The main activities of the trust are the provision of the buildings and financial support and the appointment of Foundation Governors to its four primary schools. The Trust also funds and manages activities that support the general provision of Religious Education and Collective Worship in schools in Cambridge area and conducting research into the delivery of spiritually enriching education.

The Trust was incorporated in November 2000 and is managed by Trustees as outlined in the Charity Commission Scheme of 3rd January 2018. The incumbents of the parishes in which our four schools lie are all Trustees ex officio. Trustees are appointed for 4 years and may be reappointed.

A meeting of full Trustees is generally held once a term, at these meetings trustees agree strategy, receive project and grant updates and review the financial position. Day to day management of trust activities is overseen by the Executive Committee of Trustees which, with the Director, implements the agreed strategy, allocates funding and oversees the organisation.

All trustees give their time freely and once a year disclose all relevant interests, at each meeting any conflict of interest is declared. Where, exceptionally, a Trustee has a material interest in a decision or project, they do not take part in its consideration.

The Trust seeks to support its four primary schools and St Bede's through Head Teachers, governing bodies and staff. It also maintains a relationship with the six other Church of England schools within its area of benefit. It has close links to Churches in Cambridge, particularly with those parishes in which the schools are situated. It has strong mutual links with the Diocese of Ely: the Trust's Director is a co-opted member of the Diocesan Board of Education and the Diocesan Director of Education is a Trustee. Through our support for projects, we have operational links to several local organisations including Romsey Mill, GenR8, Cambridge Heritage and Great St Mary's Heritage Centre.

In July 2015 The Trust became the Sole Trustee of Jesus Lane Sunday School Endowment Fund, a registered charity in England and Wales (charity number 3111311), whose charitable objects are to 'assist certain Sunday Schools and the church schools in Cambridgeshire'. Accordingly, the endowment funds of the Jesus Lane Sunday School are recognised in its consolidated income and in the investments of the managed portfolio held by The Church Schools of Cambridge. The Trustees have made arrangements to ensure the safe custody of these funds in their own distinct separately identifiable portfolio. Given the commonality between the aims of the Jesus Lane Sunday School Endowment Fund and those of the Trust, the Trustees have resolved to merge it with the Trust during 2019, subject to Charity Commission approval, in order to reduce administration and overhead costs.

Risk Management

From time to time the trustees have considered the major financial and other risks to which the charity is exposed and have documented these in a risk register. A key risk is the possible impact of changes in school funding and changes in governance arising from the Government's national policy on academies. The trust is actively seeking, together with the schools and the Diocese the best approach for the future.

The main operational risks include structural problems with our four school buildings. This is addressed by regular structural and condition surveys in order to identify immediate and long term issues and works with the schools with the aim of providing facilities that meet the developing needs of the schools, within the prevailing funding constraints.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEES/CONTINUED

Aims and objectives

The vision of the Trust is to, "grow Christian environments where children can learn and flourish". It seeks to undertake this vision through three objectives which are listed in the Charity Scheme as:

1. Develop, maintain and repair the school property of four City schools
2. Provide grants to promote the education of persons under the age of 25 years within the area of benefit.
3. Promote education within the area of benefit according to the principles and doctrines of the Church of England by means including Sunday Schools.

The Trust seeks to achieve these aims both directly and through supporting other organisations. We consider capital projects to improve our schools, lead activities such as exhibitions and Footprints of Faith (school walking tours), support activities such as the Diocese educational improvement programme, parenting classes and prayer spaces which are led by other organisations. The programme of activities is reviewed annually.

The Trustees have regard to the Charity Commission guidance on Public Benefit. All Trust activities are undertaken in accordance with its charity objectives, therefore ensuring that they deliver public benefit from the work the Trust with its four schools, and its work in partnership with other in the area of benefit.

Achievements and performance

The trustees are pleased with the following activities it has supported during 2018:

1. Development, repair, maintenance and insurance of church schools

The Trust has supported the upkeep and building works of its four Core primary schools by contributing towards the cost of capital projects. Projects in 2018 have included extensive work to improve outdoor space and upgrades to the IT, as well as work to repair and improve areas within the schools.

2. Grant to promote education

The Trust continues to provide an annual grant to each of its four Primary Schools and to St Bede's used for additional activities that support the learning needs of the children. This year the Trust provided an additional fund to enable schools to enrich the curriculum for their pupils.

The Trust has continued to provide grants to other organisations which support the education of children including the Diocese of Ely, Romsey Mill, Great St Mary's, Thirst and GenR8.

3. Educational projects

The Trust has worked closely with the Diocese of Ely Board of Education to encourage improvements at schools within the Diocese and, particularly within Cambridge. This year a staff Wellbeing pilot was launched with Trust funding. We have continued a programme of leadership coaching for head teachers in Trust schools.

The Trust has led further interactive exhibitions during the year and run workshops to encourage children to explore all aspects of faith. These are not limited to the trust's schools and are accessed by a number of other local schools. It has promoted and led its Footprints of Faith guided walks around Cambridge City Centre, as well as providing bibles to Year 6 school leavers in the trust's four primary school.

Together with the Jesus Lane Sunday School Endowment Fund, the Trust has provided grants to church Sunday Schools in Cambridge.

Financial Review

All Trust investments are held primarily in order to provide income to fund the work of the Trust with the majority forming our permanent endowment. The Trust's financial support to its four primary schools and wider educational activities is therefore reliant on the income it receives from these investments. This is supplemented with income raised from the solar panels installed at its four primary schools and from rental income. The Trust also acts as an agent on behalf of its four schools in managing Devolved Formula Capital (DFC) a main source of state funding towards periodic maintenance and capital building projects.

The Trust's total consolidated income in 2018 was £277,866 (2017: £305,487).

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

REPORT OF THE TRUSTEES/CONTINUED

Reserves Policy

The Trust expenditure varies over time according to the need for school repairs, the opportunity for development work through external (primarily government) funds and partner activity linked to the aims and objectives of the Trust. The Trust through regular budget reviews and forward planning activity aims to keep sufficient reserves to maintain the school buildings for which it is responsible, to manage the cash flow requirements of larger capital projects, and to support activities that benefit the children whom we serve. It is the trustees policy, therefore, to pass surplus income to reserves in years of lower expenditure to enable it to utilise those reserves to fund years of greater development activity.

Each year, Trustees review committed grant and project activity spend it makes to the schools and to other bodies in light of current income, projected expenditure and available resources and trustees believe its resources are adequate to meet current commitments and potential liabilities.

Plans for the future

The Church Schools of Cambridge has, through its various schools and education support projects, been supporting primary education in Cambridge for over 300 years and plans to continue to do so in keeping with the aims and objectives referred to above.

STATEMENT OF TRUSTEES RESPONSIBILITIES

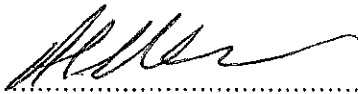
The Trustees are responsible for the preparation of the Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources, and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP 2015;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 20th MAY 2019 and signed on their behalf by:



.....
A MACLELLAN
HONORARY TREASURER

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHURCH SCHOOLS OF CAMBRIDGE

We have audited the financial statements of The Church Schools of Cambridge for the year ended 31st December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2018, and of its outgoing resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 9 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSION RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the Report of the Trustees.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Report of the Trustees and, in doing so, consider whether the Report of the Trustees 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.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHURCH SCHOOLS OF CAMBRIDGE

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 3, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

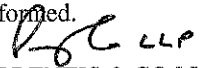
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with 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.

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

This report is made solely to the Trustees, 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 Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinion we have formed.


PRENTIS & CO LLP
CHARTERED ACCOUNTANTS
& STATUTORY AUDITORS
115c Milton Road
Cambridge
CB4 1XE

3rd August 2019

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted 2018 £	Restricted 2018 £	Endowment 2018 £	Total Funds 2018 £	Restated Total Funds 2017 £
INCOME						
Other trading activities	2	3,960	-	-	3,960	6,436
Investment income	3	266,103	7,803	-	273,906	299,411
TOTAL INCOME		<u>270,063</u>	<u>7,803</u>	<u>-</u>	<u>277,866</u>	<u>305,847</u>
EXPENDITURE						
Charitable activities	4	221,741	-	-	221,741	203,167
Total expenditure		<u>221,741</u>	<u>-</u>	<u>-</u>	<u>221,741</u>	<u>203,167</u>
Net income for the year before investment gains		48,322	7,803	-	56,125	102,680
Net (losses)/gains on investments		(14,276)	(7,561)	(87,350)	(109,187)	643,612
NET INCOME FOR THE YEAR BEING NET MOVEMENT IN FUNDS		<u>34,046</u>	<u>242</u>	<u>(87,350)</u>	<u>(53,062)</u>	<u>746,292</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,918,741	241,346	5,854,496	8,014,583	7,268,291
Total funds carried forward		<u>1,952,787</u>	<u>241,588</u>	<u>5,767,146</u>	<u>7,961,521</u>	<u>8,014,583</u>

All amounts relate to continuing activities of the charity.

The Statement of Financial Activities includes all gains and losses recognised in the year.

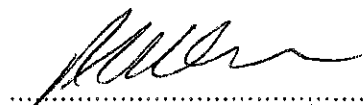
The notes on pages 9 to 16 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

CONSOLIDATED BALANCE SHEET

	Notes	2018		Restated 2017	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9		14,740		16,475
Investments	10		7,545,570		7,654,757
TOTAL FIXED ASSETS			<u>7,560,310</u>		<u>7,671,232</u>
CURRENT ASSETS					
Debtors	11	83,222		101,194	
Cash at bank and in hand		388,589		331,715	
TOTAL CURRENT ASSETS		<u>471,811</u>		<u>432,909</u>	
LIABILITIES					
Creditors: amounts falling due within one year	12	(70,600)		(89,558)	
NET CURRENT ASSETS			<u>401,211</u>		<u>343,351</u>
TOTAL NET ASSETS			<u>7,961,521</u>		<u>8,014,583</u>
THE FUNDS OF THE CHARITY					
Restricted funds:					
Permanent endowment fund	13		5,767,146		5,854,496
Restricted fund	13		241,588		241,346
Unrestricted funds	13		1,952,787		1,918,741
TOTAL FUNDS			<u>7,961,521</u>		<u>8,014,583</u>

The financial statements were approved by the Board of Trustees on 20TH MAY 2019 and signed on their behalf by:



.....
A MACLELLAN
TRUSTEE

The notes on pages 9 to 16 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

CHARITY BALANCE SHEET

	Notes	2018		Restated 2017	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	9		14,740		16,475
Investments	10		7,545,570		7,654,757
TOTAL FIXED ASSETS			<u>7,560,310</u>		<u>7,671,232</u>
CURRENT ASSETS					
Debtors	11	83,222		101,194	
Cash at bank and in hand		388,589		331,715	
TOTAL CURRENT ASSETS		<u>471,811</u>		<u>432,909</u>	
LIABILITIES					
Creditors: amounts falling due within one year	12	(311,290)		(330,006)	
NET CURRENT ASSETS			<u>160,521</u>		<u>102,903</u>
TOTAL NET ASSETS			<u>7,720,831</u>		<u>7,774,135</u>
THE FUNDS OF THE CHARITY					
Restricted funds:					
Permanent endowment fund	13		5,767,146		5,854,496
Restricted fund	13		898		898
Unrestricted funds			1,952,787		1,918,741
TOTAL FUNDS			<u>7,720,831</u>		<u>7,774,135</u>

The financial statements were approved by the Board of Trustees on 20th MAY 2019 and signed on their behalf by:



 TRUSTEE
 A MACLELLAN

The notes on pages 9 to 16 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, as amended by the SORP Update Bulletin issued in February 2016, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements consolidate the results of the charity and its investment held as a custodian trustee from the date of acquisition on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure for the charity has not been presented because the charity has taken advantage of the exemption afforded.

The Trust constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling, which is the functional currency of the charity.

(b) GOING CONCERN

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. As such, they continue to adopt the going concern basis of accounts in the financial statements, which assumes the charity will continue in operational existence for the foreseeable future. The trustees have given due consideration to the working capital and cash flow requirements of the charity for at least 12 months from the date of signature of the accounts.

(c) FUND ACCOUNTING

Unrestricted income funds comprise of funds which the trustees are free to use for any purpose in the furtherance of the charitable objectives.

The Trust also has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

(d) INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio. Income from Government Securities is recognised when it is received. Income accrued and not received on these securities at 31 December is included in the market value of the investments held.

Rental income under operating leases is charged to the profit and loss accounts on a straight-line basis over the terms of the lease.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

(e) GRANTS

Grants received for special projects are credited to the Income and Expenditure Account when the charity has been entitled to the monies and can be measured with reasonable accuracy.

Capital Grants are recognised when receivable and are not deferred over the life of the assets on which they are expended. Where the restriction is fulfilled by the purchase of fixed assets, the restricted income is released via transfer to the unrestricted funds of the charity.

(f) EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and relates to the charitable activities. VAT is charged as a cost against the activity for which the expenditure was incurred. The allocation of expenditure between the various activities of the trust has been reconsidered by the trustees and re-analysed in the current year and for the prior year in order to more accurately reflect the nature of the activities undertaken.

(g) ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trust's activities. These costs have been allocated to expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

(h) DEPRECIATION

All assets costing more than £500 are capitalised at their historical cost when purchased.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Mobile classrooms	10% on cost
Leases	2% on cost
Computers	33% on cost

Assets are reviewed for any indications of impairment at each balance sheet date.

School buildings are not included on the balance sheet however details of the insurance values of the school properties are included within note 10.

(i) INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closed quoted market price (the bid price). The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(j) DEBTORS

Sundry debtors are recognised at the settlement amount due. Accrued income is included at the best estimate of the best estimate of the amounts receivable at the balance sheet date.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

(k) CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or three months or less from the date of acquisition or opening of the deposit or similar account.

(l) CREDITORS

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

(m) FINANCIAL INSTRUMENTS

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are measured at their fair value, being the original cost of the assets. Investments are valued at market value which is based on the bid price at the year end. All other transactions are valued at cost.

(n) PENSIONS

Employees of the charity are entitled to join a defined contribution "money purchase" scheme. The charity contribution is restricted to the contributions disclosed in note 8.

2.	INCOME FROM OTHER TRADING ACTIVITIES	2018	2017
		£	£
	Solar Panel income	3,812	5,989
	Other	148	447
		<u>3,960</u>	<u>6,436</u>

All income from other trading activities in both the current and previous year relate to unrestricted funds.

3.	INVESTMENT INCOME	2018	2017
		£	£
	Interest on cash deposits	519	547
	Income from listed investment	232,349	257,864
	Rental income	41,038	41,000
		<u>273,906</u>	<u>299,411</u>

Investment income relates to £224,690 unrestricted funds (2017: £251,586) and £7,803 of restricted funds (2017: £6,825).

4.	EXPENDITURE ON CHARITABLE ACTIVITIES				
	CURRENT YEAR	Grants	Direct	Support	Total
		£	costs	costs	2018
		£	£	£	£
	Grants to promote education:				
	Grants to schools	74,048	3,958	-	78,006
	Grants to service delivery charities	51,284	-	-	51,284
	Sunday School grants	6,476	-	-	6,476
	In house education projects	-	45,878	-	45,878
	Administration	-	-	18,189	18,189
	Development, repair and maintenance of church schools	-	17,228	4,680	21,908
	Total expenditure for charitable activities	<u>131,808</u>	<u>67,064</u>	<u>22,869</u>	<u>221,741</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

4. EXPENDITURE ON CHARITABLE ACTIVITIEScontinued

PRIOR YEAR	Grants £	Direct costs £	Support costs £	Total 2017 £
Grants to promote education:				
Grants to schools	31,760	2,430	4,576	38,767
Grants to service delivery charities	33,246	4,666	8,787	46,699
Sunday School grants	2,740	210	395	3,344
In house education projects	-	20,589	-	20,589
Administration	-	-	22,929	22,929
Development, repair and maintenance of church schools	-	61,667	9,172	70,839
Total expenditure for charitable activities	<u>67,746</u>	<u>89,562</u>	<u>45,859</u>	<u>203,167</u>

Expenditure in the current year related to £221,741 (2017: £200,427) of unrestricted funds and £NIL (2017: £2,740.00) of restricted funds.

5. ANALYSIS OF SUPPORT COSTS

CURRENT YEAR	Charitable activities £	Governance costs £	Total 2018 £
Wages and salaries	18,189	-	18,189
Audit, accountancy and legal fees	-	4,680	4,680
Total support costs	<u>18,189</u>	<u>4,680</u>	<u>22,869</u>

PRIOR YEAR	Charitable activities £	Governance costs £	Total 2017 £
Wages and salaries	32,169	-	32,169
Audit, accountancy and legal fees	5,133	4,680	9,813
Secretary honorarium and administration fees	3,877	-	3,877
Total support costs	<u>41,179</u>	<u>4,680</u>	<u>45,859</u>

6. ANALYSIS OF STAFF COSTS AND KEY MANAGEMENT PERSONNEL

	2018 £	2017 £
Wages and salaries	51,935	50,505
Social security costs	-	309
Pension costs	2,738	1,020
	<u>54,673</u>	<u>51,834</u>

No employees had emoluments in excess of £60,000 (2017: none).

The Trustees received no remuneration or reimbursement of expenses during the year (2017: none).

The charity took out trustee indemnity insurance during the year as part of a policy that cost £1087 (2017: £993).

The charity considers that the key management personnel to be all members of staff and therefore their total remuneration is as stated above.

The average monthly head count was 4 (2017: 4) and analysis of the staff employees in the year were:

	2018	2017
Office and administration	2	2
Charitable projects	2	2
	<u>4</u>	<u>4</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

7. PENSION COSTS

The association operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the association in an independently administered fund.

8.	NET INCOME	2018	2017
	Net income is stated after charging	£	£
	Depreciation	1,735	1,735
	Auditors remuneration :		
	-for audit services	3,000	4,680
	-for accountancy services	1,680	1,210
		<u>6,415</u>	<u>7,625</u>

In common with other small entities of our size and nature we use our auditors to assist with the preparation of our financial statements.

9.	TANGIBLE FIXED ASSETS	Computer Equipment	Mobile Classrooms	Park Street Lease	Total
	COST OR VALUATION	£	£	£	£
	Balance at 1st January 2018 and 31st December 2018	<u>3,276</u>	<u>35,724</u>	<u>32,113</u>	<u>71,113</u>
	DEPRECIATION				
	Balance at 1 January 2018	1,092	35,724	17,822	54,638
	Charge for the year	1,092	-	643	1,735
	Balance at 31 December 2018	<u>2,184</u>	<u>35,724</u>	<u>18,465</u>	<u>56,373</u>
	NET BOOK VALUE at 31 December 2018	<u>1,092</u>	<u>-</u>	<u>13,648</u>	<u>14,740</u>
	NET BOOK VALUE at 31 December 2017	<u>2,184</u>	<u>-</u>	<u>14,291</u>	<u>16,475</u>

Tangible fixed assets do not include the value of school buildings as it is not known and on the basis that it is immaterial to the Trust.

10.	INVESTMENTS	Market Value			Net Unrealised Gains/ (Losses)	Total
	Group and Charity	1st January 2018	Additions/ Income	Disposals/ Expenses	(Losses)	£
		£	£	£	£	£
	Permanent endowment fund					
	Central board of finance investment fund	5,852,117	-	-	(87,350)	5,764,767
	Central board of finance deposit fund	2,229	150	-	-	2,379
	Miss Alice Bradwell's deposit fund	150	-	(150)	-	-
		<u>5,854,496</u>	<u>150</u>	<u>(150)</u>	<u>(87,350)</u>	<u>5,767,146</u>
	General funds					
	Central board of finance investment fund	1,430,376	-	-	(14,276)	1,416,100
	Central board of finance deposit fund	132,484	-	-	-	132,484
		<u>1,562,860</u>	<u>-</u>	<u>-</u>	<u>(14,276)</u>	<u>1,548,584</u>
	Restricted fund investments					
	Central board of finance deposit fund	1,038	-	-	-	1,038
	Central board of finance investment fund	194,249	-	-	(7,561)	186,688
	Central board of finance deposit fund	42,114	-	-	-	42,114
		<u>237,401</u>	<u>-</u>	<u>-</u>	<u>(7,561)</u>	<u>229,840</u>
	Total Investments	<u>7,654,757</u>	<u>150</u>	<u>(150)</u>	<u>(109,187)</u>	<u>7,545,570</u>

The historical cost of investments at 31st December 2018 was £4,378,725 (2017: £4,378,725).
All investments are held primarily for the purpose of providing an investment return.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

11.	DEBTORS								
					Group			Charity	
					2018	2017		2018	2017
					£	£		£	£
	Rental income debtor				41,038	41,000		41,038	41,000
	Accrued income and other debtors				42,184	60,194		42,184	60,194
					<u>83,222</u>	<u>101,194</u>		<u>83,222</u>	<u>101,194</u>
12.	CREDITORS: Amounts falling due within one year				Group			Charity	
					2018	2017		2018	2017
					£	£		£	£
	Taxation and social security				2,499	2,003		2,499	2,002
	Other creditors				50,158	66,871		50,400	66,872
	Sums held on behalf of schools				14,493	17,334		14,493	17,334
	Accruals				3,450	3,350		3,450	3,350
	Amounts owed to Jesus Lane				-	-		240,448	240,448
					<u>70,600</u>	<u>89,558</u>		<u>311,290</u>	<u>330,006</u>
13a.	FUNDS ANALYSIS	Balance as						Balance as	
	- Current Year	at 1st						at 31st	
	Group	January				Gains/		December	
		2018	Income	Expenditure	(losses)	Transfers	2018		
		£	£	£	£	£	£		
	Restricted funds								
	Permanent endowment fund								
	Old Schools of Cambridge	5,854,496	-	-	(87,350)	-	5,767,146		
		<u>5,854,496</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,767,146</u>		
	Miss L. Eraut fund	898	-	-	-	-	898		
	Jesus Lane fund	240,448	7,803	-	(7,561)	-	240,690		
		<u>241,346</u>	<u>7,803</u>	<u>-</u>	<u>(7,561)</u>	<u>-</u>	<u>241,588</u>		
	Unrestricted funds								
	General fund	1,903,741	270,063	206,741	(14,276)	-	1,952,787		
	Designated funds								
	Provision for future capital spend	15,000	-	15,000	-	-	-		
	Total funds	<u>8,014,583</u>	<u>277,866</u>	<u>221,741</u>	<u>(109,187)</u>	<u>-</u>	<u>7,976,171</u>		
	Charity	Balance as					Balance as		
		at 1st					at 31st		
		January					December		
		2018	Income	Expenditure	(losses)	Transfers	2018		
		£	£	£	£	£	£		
	Restricted funds								
	Permanent endowment fund								
	Old Schools of Cambridge	5,854,496	-	-	(87,350)	-	5,767,146		
		<u>5,854,496</u>	<u>-</u>	<u>-</u>	<u>(87,350)</u>	<u>-</u>	<u>5,767,146</u>		
	Miss L. Eraut fund	898	-	-	-	-	898		
		<u>898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>898</u>		
	Unrestricted funds								
	General fund	1,903,741	270,063	206,741	(14,276)	-	1,952,787		
	Designated funds								
	Provision for future capital spend	15,000	-	15,000	-	-	-		
	Total funds	<u>7,774,135</u>	<u>270,063</u>	<u>221,741</u>	<u>(109,187)</u>	<u>-</u>	<u>7,720,831</u>		

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

13b.	FUNDS ANALYSIS - Prior Year Group	Balance as at 1st January 2017	Income	Expenditure	Trf/gains/ (losses)	Balance as at 31st December 2017
		£	£	£	£	£
	Restricted funds					
	DFC funds	-	27,734	(27,734)	-	-
	Permanent endowment fund					
	Old Schools of Cambridge	5,342,103	-	-	512,393	5,854,496
		<u>5,342,103</u>	<u>27,734</u>	<u>(27,734)</u>	<u>512,393</u>	<u>5,854,496</u>
	Miss L Eraut fund	898	-	-	-	898
	Jesus Lane fund	218,941	6,825	(2,740)	17,422	240,448
		<u>219,839</u>	<u>6,825</u>	<u>(2,740)</u>	<u>17,422</u>	<u>241,346</u>
	Unrestricted funds					
	General fund	1,691,349	299,022	(200,427)	113,797	1,903,741
	Designated funds					
	Provision for future capital spend	15,000	-	-	-	15,000
	Total funds	<u>7,268,291</u>	<u>333,581</u>	<u>(230,901)</u>	<u>643,612</u>	<u>8,014,583</u>
	Charity					
		Balance as at 1st January 2017	Income	Expenditure	Trf/gains/ (losses)	Balance as at 31st December 2017
		£	£	£	£	£
	Restricted funds					
	DFC funds	-	27,734	(27,374)	-	-
	Permanent endowment fund					
	Old Schools of Cambridge	5,342,103	-	-	512,393	5,854,496
		<u>5,342,103</u>	<u>27,734</u>	<u>(27,374)</u>	<u>512,393</u>	<u>5,854,496</u>
	Miss L Eraut fund	898	-	-	-	898
		<u>898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>898</u>
	Unrestricted funds					
	General fund	1,691,349	299,022	(200,427)	113,797	1,903,741
	Designated funds					
	Provision for future capital spend	15,000	-	-	-	15,000
	Total funds	<u>7,034,350</u>	<u>326,756</u>	<u>(228,161)</u>	<u>626,190</u>	<u>7,774,135</u>

Unrestricted funds

General funds represents the free funds of the charity which are not designated for particular purposes.

14a.	NET ASSETS BY FUND - Current Year Group	Tangible Fixed Assets	Investments	Net Current Assets	2018 Total
	Current year:	£	£	£	£
	Restricted funds:				
	Permanent endowment fund:				
	Old Schools of Cambridge	-	5,767,146	-	5,767,146
	Miss L Eraut Fund	-	898	-	898
	Jesus Lane fund	-	240,690	-	240,690
	Unrestricted funds	14,740	1,536,836	401,211	1,952,787
	Total funds	<u>14,740</u>	<u>7,545,570</u>	<u>401,211</u>	<u>7,961,521</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

NOTES TO THE FINANCIAL STATEMENTS

14a.	NET ASSETS BY FUND - Current Year Charity	Tangible Fixed Assets	Investments	Net Current Assets	2018 Total
		£	£	£	£
	Restricted funds:				
	Miss L Eraut Fund	-	898	-	898
	Permanent endowment fund:				
	Old Schools of Cambridge	-	5,767,146	-	5,767,146
	Unrestricted funds	14,740	1,777,526	160,521	1,952,787
	Total funds	<u>14,740</u>	<u>7,545,570</u>	<u>160,521</u>	<u>7,720,831</u>
14b.	NET ASSETS BY FUNDS - Prior Year Group	Tangible Fixed Assets	Investments	Net Current Assets	2017 Total
		£	£	£	£
	Restricted funds:				
	Permanent endowment fund:				
	Old Schools of Cambridge	-	5,854,496	-	5,854,496
	Miss L Eraut fund	-	1,038	(140)	898
	Jesus Lane fund	-	236,363	4,085	240,448
	Unrestricted funds	16,475	1,562,860	339,406	1,918,741
	Total funds	<u>16,475</u>	<u>7,654,757</u>	<u>343,351</u>	<u>8,014,583</u>
	Charity	Tangible Fixed Assets	Investments	Net Current Assets	2017 Total
		£	£	£	£
	Restricted funds:				
	Permanent endowment fund:				
	Old Schools of Cambridge	-	5,854,496	-	5,854,496
	Miss L Eraut fund	-	1,038	(140)	898
	Unrestricted funds	16,475	1,562,860	339,406	1,918,741
	Total funds	<u>16,475</u>	<u>7,418,394</u>	<u>339,266</u>	<u>7,774,135</u>

15. SUBSIDIARY

The charity is a sole trustee of Jesus Lane Sunday School Endowment Fund, a registered charity in England and Wales (charity number 311311). During the year ended 31 December 2018 there was income of £27,803 (2017:£6,825), expenditure of £6,476 (2017:£2,740) and an investment loss of £7,803 (2017:£17,422). The fund balance at the year end was £241,588 (2017:£240,448).

16. RELATED PARTY TRANSACTIONS

There were no related party transactions that require disclosure during the year.

17. RESTATEMENT OF OPENING BALANCES

The trustees consider they act as agents holding DFC funds for schools acting as a conduit in passing these funds on. This has resulted in the derecognition of £27,734 of income and expenditure in the 2017 comparatives.