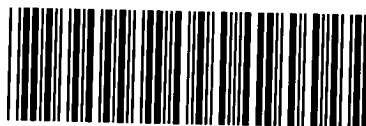


Registered number: 00004466
Charity number: 526682

THE LIVERPOOL COLLEGE FOUNDATION
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

WEDNESDAY



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THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

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THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**Reference and administrative details of the Charity, its Trustees and Advisers
FOR THE YEAR ENDED 31 AUGUST 2019**

Trustees

Mr J D Robertson
Mr I N Lightbody
Mr C C Hubbard
Mr G H Pybus
Mr K Siviter
Mr J N Swift
Mr N A Moss
Dr A M Miller
Mr W R E L Thompson
Mr H S Hackney
Mr R W Peach

Company registered number

00004466

Charity registered number

526682

Registered office

Beechlands, Liverpool College, Mossley Hill, Liverpool, L18 8BG

Company secretary

Mr J N Swift

President

The Rt Hon 19th Earl of Derby DL

Accountants

Grant Thornton UK LLP, Royal Liver Building, Liverpool, L3 1PS

Bankers

Barclays Bank plc, 48b and 50 Lord Street, Liverpool, L2 1TD

Solicitors

Brabners LLP, Horton House, Exchange Flags, Liverpool, L2 3YL

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements of The Liverpool College Foundation for the year 1 September 2018 to 31 August 2019.

Introduction

The Trustees, who are also the Directors of the Charitable Company for the purposes of the Companies Act, present their Annual Report together with the Financial Statements of The Liverpool College Foundation, (the Company or Charity) for the year ended 31 August 2019.

The financial statements show the financial affairs of both The Liverpool College Foundation group and the Liverpool College Foundation charitable company. The group consists of the Liverpool College Foundation and its 100% subsidiary, the Wilton Trust Fund.

The Trustees confirm that the Annual Report and Financial Statements of the group comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association, and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Liverpool College Foundation was founded in 1840 under its original name Liverpool College and registered in 1869 under the Companies Act 1862 as a company limited by guarantee, No. 00004466 and Registered Charity, No. 526682. Liverpool College was opened by William Ewart Gladstone, the future Prime Minister, whose family were prime movers in the formation of the College and its establishment as an independent school in Liverpool. Its objectives and motto were defined as:

"Non Solum Ingenii Verum Etiam Virtutis"
"Not only the Intellect but also the Character"
based on "Sound Religion and Useful Learning".

The name of Liverpool College was changed in January 2016 to The Liverpool College Foundation. In this Report, the Company will be referred to as "the Foundation".

Structure, governance and management

The Memorandum and Articles of Association of the Foundation, established in 1869 and last revised in January 2018, is the Foundation's governing document and clearly defines delegation, responsibility and accountability in maintaining its Objects:

"To provide for the inhabitants of Liverpool and others, by the establishment and maintenance of Lectures, School, and other like means, an education suited to their wants upon the most moderate terms; and for this purpose instruction in the doctrines and duties of Christianity, as taught by the Church of England, shall be forever communicated, in combination with literary, scientific, and commercial information.

Provided nevertheless that no pupil shall be required as a condition of being admitted or remaining as a pupil, to attend or abstain from attending any Sunday School, place of worship, religious observance, or instruction in religious subjects in any school of the College or elsewhere."

The Board of Trustees is the governing body of the Foundation, elected by Foundation Members.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The recruitment and appointment of new Trustees is undertaken by the Board of Trustees. One third of the Trustees retire from office each year and may stand for re election at the Annual General Meeting. During the year, the Board of Trustees co-opted Ric Thompson, Roger Peach and Howard Hackney to the Board and they are eligible for election as Trustees by Foundation Members at this coming Annual General Meeting.

The Board also appointed and welcomed Michael Askham (1971) and Lord Storey as Foundation Members. They add valuable experience of education, the City of Liverpool and National politics to our Membership.

Sadly we report that HM Alty died in February 2019. Harry had a distinguished career in dentistry and in the Health Service and was a great supporter of Liverpool College and a loyal Foundation Member, and was Chairman of the Governors. We send our condolences to Harry's son, John Alty (1973). We were also advised of the sad news that JAB Johnson (1956) died in February 2019. An Accountant by profession, Tony was Hon Secretary of the Old Lerpooian Society for a number of years, a loyal supporter of the College and a loyal member of Liverpool Cathedral, serving in lay roles. A very modest man, he was very welcoming and generous in all that he did.

The remits of the Trustees in this year have been:

- Chairman - Charles Hubbard
- Business Strategy and Planning - John Swift and Graham Pybus
- Foundation Members - John Robertson
- Estates - Charles Hubbard
- Treasury - Nigel Moss
- Educational Development Fund (The 1840) - Ian Lightbody and Graham Pybus
- Archives - Ken Siviter
- Company Secretary - John Swift

Since joining the Board, Howard Hackney has taken on the Trustee Remit for the Wilton Trust and Roger Peach has assisted in developing new plans to support the 1840 Fund's future initiatives.

Mrs Amanda Gemmell, as Clerk to the Trustees and Accountant, has continued the work to put the administration of the Trust on a firm basis.

The Foundation has ownership of the freehold of all the Land and Buildings defined under the three Title Deeds which comprise the complete Mossley Hill estate. On 1 September 2013, the Foundation's main school became an Academy formed under a separate Trust, the Liverpool College Independent School Trust (the Academy), a Company and exempt Charity. The Academy is subject to a Funding Agreement between the Trust and the Secretary of State for Education, with a rolling seven year notice of termination by either party. Being separate Trusts and Corporate Entities, all relationships between the Foundation and the Academy are on an "arms length" basis.

Pursuant to these arrangements, the Foundation entered into a number of Legal Agreements, which are now substantial determinates of its governance and management going forward. These legal commitments are described below.

The Foundation provides equal opportunities for all staff.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Foundation's legal commitments

The Foundation is committed to the following Legal arrangements:

- An Agreement regarding the Discharge of the Debt arrangement between the Foundation and Barclays Bank, the institution of a re-placement grant from the Department for Education (DfE) to the Foundation, repayable within 12 months of the termination of the Funding Agreement between the Academy and the DfE, and the Security against this Loan obtained from the Foundation in favour of the DfE.
- The Legal Charge on the Freehold Property of the Foundation in favour of the DfE arising from the above Security commitment.
- Agreement regarding the Transfer Arrangements from the Foundation to The Academy covering Employees, Included Assets, the shares of Liverpool College Enterprises Ltd, Contracts, Employee and Pupil Records and the List of Excluded Assets,
- Agreement regarding the Lease of the Foundation's Land and Premises by the Academy at a peppercorn rent for a Term of 125 years, or on the earlier Termination of the Funding Agreement, and a Supplementary Agreement re the Use of the Land and Premises by the Academy. Under the terms of this Lease, the Academy as the "The Tenant" is responsible for the full insurance, upkeep, repair and maintenance of all the land and buildings comprising the Estate and for obtaining the consent of the Foundation as "The Landlord" for any proposed structural alterations or variations on the Property.

Other Legal Agreements placing obligations on the Foundation and shaping the continuing relationship between the Foundation and the Academy are:

- The Memorandum & Articles of Association of the Academy and the appointment of its Members and Governors.
- The Funding Agreement between the DfE and the Academy.
- A Memorandum of Understanding with the Diocese of Liverpool regarding the classification of the Academy as a Church of England School.

The Foundation has granted to the Academy the use and safekeeping of an inventory of Heirloom Assets, eg Trophies, Portraits, Pictures, Plaques, Honours Boards and Archives, which were excluded from the above Transfer Agreement. A formal Agreement to this effect has yet to be put in place.

The Foundation has also granted the Academy the right to use the Name and Insignia of Liverpool College within the terms of the Objects as defined in The Academy's Memorandum and Articles of Association.

Public benefit

The Trustees have given due consideration to the Charity Commission's published guidance on the operation of the public benefit requirement.

The Foundation has contributed significantly to the establishment of the Academy with long-term on-going public benefit:

- The grant of a 125 year Lease to the Academy on all its Land & Buildings, coterminous with its Funding Agreement with the DfE, at a peppercorn rent, valued in the Academy's Accounts on the date of grant at £32m
- The gifting of Assets under the Transfer Agreement at a depreciated book value of £1.5m, in business value terms worth significantly more
- Expenditures of £289,000 incurred in the setting-up of the Academy
- The grant of the use of the Name and Insignia of Liverpool College
- The use and safekeeping of an inventory of Heirlooms

The Foundation's 1840 Fund gives support to the Academy for Pupil Prizes and Educational Development initiatives.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Activities of the Foundation in 2018/2019

We have continued to build on the work of the previous years to put the Foundation on a firm footing. The following have been key activities:

The LCF Investment Fund

The LCF Investment Fund (or the Fund) was established in December 2015 with funds invested with St James's Place (SJP), comprising an initial investment of the Foundation's cash resources of £670,000 and a subsequent investment in October 2017 of £50,000. The LCF Investment Fund holds both:

- The general cash reserves of LCF
- The invested cash of the 1840 Fund.

All the monies are held within a number of Sub funds comprising an LCF General Cash Reserves Sub fund and 1840 Sub funds each relating to the purpose for which the money was donated. The 1840 Sub funds are detailed under the next heading of this Report.

As previously reported, we continue to regard the most important issue in the management of the Fund to be our choice of investments and our spread of risk. The Trustees have adopted a strategy based on a wide spread of investment funds and underlying investments, both by way of asset classes and global geography, in order to manage risk and return appropriate to the Fund. SJP execute the strategy but do not manage the Fund on a discretionary basis. The Fund is ring fenced in the name of the Foundation and therefore forms no part of SJP's assets. The Trustees use SJP's significant investment expertise and resources with the aim of maximising the return on the Fund. It is our intention to retain and grow capital in the Fund in order to continue to generate gains and support activities for the future. We monitor the performance of the Fund regularly and meet with SJP during the year to review performance and adjust our investments according to our view on prospective market returns.

The performance during the year is reported under the Financial Review heading below.

The LCF Educational Development Fund — the 1840

The management of the LCF Educational Development Fund (the 1840) has continued in accordance with the policy previously established. The Trustees are very mindful of fulfilling the intentions of those who have made donations to the 1840 and of ensuring that money is not advanced to pay for anything which should genuinely be funded from other sources.

The Sub funds of the 1840 currently are:

- The Original 1840 General Donations
- Academy School Named Prizes
- The LCF Vice Presidents' Prize
- The Collin Thompson Imagineering Prize
- Chapel Refurbishment
- Design & Technology Refurbishment
- The Brenikov Bursary for Music
- The Gladstone Leadership & Management Programme
- Music
- Science

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

During the year, we have held discussions to shape the way forward for the 1840. Key components of being able to bring increased support to the School are to strengthen our relationships with the Old Lerpollian Society, whose members are alumni of Liverpool College, and to install more accurate and modern methods of Membership Record keeping and Communication. Much work has gone into both of these areas as a basis for making tangible progress in this next year. Similarly, progress has been made on properly organising and storing/presenting the Archives.

Estate

Work continues to ensure that the processes required under the Lease between the Foundation and the Academy to fulfil the Landlord's and the Tenant's obligations are fully established.

Discussions regarding the future development of the Estate to accommodate a new Boarding House and to create facilities for higher pupil numbers in the Prep School are ongoing. Decisions will be required early in this next year.

The Wilton Trust Fund

With effect from 1 September 2018 the Foundation became the sole Corporate Trustee of the Wilton Trust Fund, a separate charitable fund which is now managed under the operational umbrella of the Foundation to continue to support Liverpool College's Gifted and Talented programme while that is performing well and meeting expectations. As of that date the Wilton Trust fund has therefore been treated as a subsidiary undertaking of the Foundation.

The background to the Wilton Trust and the process of its incorporation within the Foundation's management was fully explained in last year's report. In summary, the assets of the Wilton Trust, which are held in the Thomas Ryder Wilton Bequest, registered charity number 529915, are now managed by the Foundation following its appointment as the sole Corporate Trustee. Pursuant to this appointment, all the existing Wilton Trustees resigned. Accordingly, the Wilton Trust is now incorporated in these accounts as a subsidiary undertaking, but has been included as a separate endowment fund which remains subject to the objectives and principles of the Thomas Ryder Wilton Bequest. In these accounts the Wilton Trust assets are referred to as the Wilton Trust Fund.

The Wilton Trust Fund is invested in two M&G funds, the Charifund which is a UK equities investment fund for charities which comprises approximately 65% of the overall portfolio, and the remainder in the Charibond fixed interest fund for charities, which is entirely invested in government/investment grade corporate bonds. The combined funds seek primarily to generate income returns, whilst maintaining its capital, to provide the funding to support the Gifted and Talented programme. The initial value of the Wilton Trust Fund on 1 September 2018 was £808,684, comprising the M&G portfolio of £807,105, together with a bank balance amounting to £1,579.

Financial review

The group made a surplus for the year ending 31 August 2019 of £1,062,866 (2018: £30,169). This is due to a number of factors.

The Wilton Trust Fund portfolio was introduced into the Foundation on 1 September 2018 at a valuation of £807,105. This has been included within income representing the introduction of an additional Endowment fund. During the year the valuation reduced to £794,041 at 31 August 2019, a reduction of £13,064. The Wilton Trust Fund also generated income of £33,336, from which it granted funding of £29,000 to the Academy to support its Gifted and Talented programme.

During a somewhat volatile market during the year, the LCF Investment Fund valuation increased during the year from £897,465 to £906,394 at 31 August 2019, an increase of £8,929 (1.0%) (2018: £31,734).

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Total expenditure for the year (excluding the recovery of bad and doubtful debts and release of impairment charge) was £53,057 (2018: £32,090). Donations received during the year were £3,450 (2018: £4,239).

The Foundation surplus was enhanced by the release of certain historic accrued balances which the Trustees now consider will not become payable. These have been included as other income and expenditure and total £253,549.

As at 31 August 2019 the group's total funds were £2,057,205 (2018: £994,339), which were more than covered by cash and investment resources. The Trustees consider this level of funds to be satisfactory.

Land and Buildings Valuation and Contingent Liability

On 31 July 2013 the Foundation granted to the Academy a lease, for a term of 125 years, of the whole circa 26 acre school campus and the buildings thereon comprising the school accommodation on what is effectively a full repairing and insuring lease at a peppercorn rent. Unless the Funding Agreement was to be terminated early the Foundation would not have possession of the campus until the expiry of the lease term. Accordingly, the Foundation's interest in the property comprising the campus in these accounts, following the grant of the lease, is valued at the discounted value of that reversionary right on the date of expiry. The initial valuation was therefore £232,000, and is subject to an annual release of the impairment charge. As at 31 August 2019 the valuation was £282,000 (2018: £271,000).

Reserves policy

The Foundation aims to maintain in available cash coverage of 2 months of running costs. At the year end the Foundation held cash well in excess of this target.

Risk Management

The Trustees have reviewed the risks and uncertainties underlying the Foundation's operations. In their opinion adequate policies and processes have been put in place to ensure that exposure to financial or operational risk is minimised. In regard to the investment fund it should be noted that the value of the Fund's investments can go down as well as up.

Restricted Fund

The Fund of the 1840 Foundation is held under the direct management of the Trustees for use for Educational Development. The 1840 Fund now stands at £453,303 (2018: £449,265).

Plans for Forward Periods

The Foundation's work is focused on:

- The overall direction, organisation and management of the Foundation as a registered Charity and Limited Company under the terms of its Memorandum and Articles of Association
- The Foundation's role as Landlord under the terms of the Lease of its Freehold Land and Buildings to the Academy
- The management of its Financial Assets and Funds
- The management of the Educational Development Fund – the 1840 – and the Wilton Trust
- The Foundation's obligations under all Legal Agreements
- Its relationships with the Academy.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

In terms of specific objectives in the next year, the Board of Trustees will be particularly focused on:

- Continuing the effective management of the LCF Investment Fund
- Implementing the way forward on the 1840 Fund
- Strengthening the relationships of the Foundation with the Old Liverpoolian Society
- Continuing to seek to recruit new Trustees to provide succession to the existing Board.

Trustees' responsibilities statement

The Trustees (who are also directors of The Liverpool College Foundation for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees, on 22 January 2020 and signed on their behalf by:



Mr C C Hubbard
Chairman

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 AUGUST 2019

Independent Examiner's Report to the Trustees of The Liverpool College Foundation Group ('the Group')

I report to the charity trustees on my examination of the consolidated accounts of the Group comprising The Liverpool College Foundation (the Foundation) and its subsidiary undertaking for the year ended 31 August 2019.

Responsibilities and basis of report

As the Trustees of the Foundation you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the group. You are satisfied that the accounts of both the Foundation and the Group are not required to be audited under Part 16 of the 2006 Act and are eligible for an independent examination.

I report in respect of my examination of the consolidated accounts. I have carried out my examination under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the Foundation's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

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

- accounting records, with respect to the Foundation and its subsidiary were not kept as required by section 386 of the Companies Act 2006; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 404 of the 2006 Act 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; or
- 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)].

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



Michael J Delf FCA
Grant Thornton UK LLP
Chartered Accountants
Liverpool

Date: 20/7/2020

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

		Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
Income and endowments from:						
Donations and legacies	2	3,450	-	-	3,450	4,239
Other	3	81,685	-	-	81,685	-
Investments	4	250	-	33,336	33,586	892
Transfer of Wilton Trust Fund	6	-	-	808,684	808,684	-
Total income and endowments		85,385	-	842,020	927,405	5,131
Expenditure on:						
Other	5	(171,864)	-	-	(171,864)	-
Charitable activities	7	1,953	1,315	29,000	32,268	6,696
Total expenditure		(169,911)	1,315	29,000	(139,596)	6,696
Net income / (expenditure) before investment gains/(losses)						
		255,296	(1,315)	813,020	1,067,001	(1,565)
Net gains/(losses) on investments	17	3,576	5,353	(13,064)	(4,135)	31,734
Net income before other recognised gains and losses		258,872	4,038	799,956	1,062,866	30,169
Net movement in funds		258,872	4,038	799,956	1,062,866	30,169
Reconciliation of funds:						
Total funds brought forward		520,824	473,515	-	994,339	964,170
Total funds carried forward		779,696	477,553	799,956	2,057,205	994,339

The financial activities above include £85,385 (2018: £5,131) income and £-168,596 (2018: £6,696) expenditure relating to the charitable company.

The notes on pages 14 to 32 form part of these financial statements.

THE LIVERPOOL COLLEGE FOUNDATION

**(A company limited by guarantee)
REGISTERED NUMBER: 00004466**

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	16		322,000		311,000
Investments	17		<u>1,700,435</u>		<u>897,465</u>
			2,022,435		1,208,465
Current assets					
Stocks	18	8,090		8,098	
Cash at bank and in hand		<u>55,996</u>		<u>83,191</u>	
		64,086		91,289	
Creditors: amounts falling due within one year	19	<u>(29,316)</u>		<u>(305,415)</u>	
Net current assets/(liabilities)			<u>34,770</u>		<u>(214,126)</u>
Net assets			<u>2,057,205</u>		<u>994,339</u>
Charity Funds					
Endowment funds	20		799,956		-
Restricted funds	20		477,553		473,515
Unrestricted funds	20		<u>779,696</u>		<u>520,824</u>
Total funds			<u>2,057,205</u>		<u>994,339</u>

The group's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the group is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 22 January 2020 and signed on their behalf, by:



Mr C C Hubbard, Chairman



Mr N A Moss, Treasurer

The notes on pages 14 to 32 form part of these financial statements.

THE LIVERPOOL COLLEGE FOUNDATION

**(A company limited by guarantee)
REGISTERED NUMBER: 00004466**

**CHARITABLE COMPANY BALANCE SHEET
AS AT 31 AUGUST 2019**

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	16		322,000		311,000
Investments	17		906,394		897,465
			1,228,394		1,208,465
Current assets					
Stocks	18	8,090		8,098	
Cash at bank and in hand		41,353		83,191	
		49,443		91,289	
Creditors: amounts falling due within one year	19	(20,588)		(305,415)	
Net current assets/(liabilities)			28,855		(214,126)
Net assets			1,257,249		994,339
Charity Funds					
Restricted funds	20		477,553		473,515
Unrestricted funds	20		779,696		520,824
Total funds			1,257,249		994,339

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The parent company has taken advantage of section 408 of the Company Act 2006 and has not included its own Statement of Financial Activities in these financial statements. The parent company's net movement in funds for the year was £262,910 (2018: £30,169).

The financial statements were approved and authorised for issue by the Trustees on 22 January 2020 and signed on their behalf, by:



Mr C C Hubbard, Chairman



Mr N A Moss, Treasurer

The notes on pages 14 to 32 form part of these financial statements.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Liverpool College Foundation (formerly Liverpool College) 'the Company' or 'the Charity' meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentational currency of the financial statements is the pound sterling 'GBP'. The amounts included in the financial statements are rounded to the nearest £1.

1.2 Company status

The Company is a company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £5 per member of the Company.

The registered office is Beechlands, Liverpool College, Mossley Hill, Liverpool, L18 8BG.

The principal activity is the overall direction, organisation and management of the Foundation as a registered charity and Limited Company under the terms of its Memorandum and Articles of Association as set out in the Trustees' report.

1.3 Going concern

The Trustees consider that it is appropriate to prepare the financial statements on a going concern basis, having reviewed net income and cashflow forecasts for the foreseeable future which is not less than 12 months from the date of approval of these financial statements.

1.4 Basis of consolidation

The group financial statements consolidate those of the charitable company and its subsidiary undertaking drawn up to 31 August 2019 using the purchase method of accounting.

A separate Statement of Financial Activities for the charitable company has not been presented because the Foundation has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

THE LIVERPOOL COLLEGE FOUNDATION

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies (continued)

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds comprise the Wilton Trust Fund. In accordance with its trust deed, income can be used for unrestricted purposes and its capital is restricted as a permanent endowment in charity law.

Investment income, gains and losses are allocated to the appropriate fund.

1.6 Income

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

Donations and legacies

Donations and legacies are included in the Statement of Financial Activities when the Group becomes entitled to them and all pre-conditions have been met.

Grants

Grants of a revenue nature are included in the Statement of Financial Activities once all conditions are met.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.7 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Group. Governance costs are those incurred in connection with administration of the Group and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Group's operations, including support costs and costs relating to the governance of the Group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.8 Statement of cash flows

No statement of cash flows is presented, as under FRS 102 the Group is exempt from producing such a statement by virtue of its size.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies (continued)**1.9 Tangible fixed assets and depreciation**

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. The impairment charge written back relates to the granting of a 125 year peppercorn lease to Liverpool College Independent School Trust on 31 July 2013. The value of the Group's interest in the property at 31 August 2019 represents the discounted value (using a discount rate of 4% and assuming no growth) of the reversionary right in 119 years (2018: 120 years).

Heirlooms are not depreciated and are included at valuation (see 1.18).

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains on investments' in the Statement of financial activities incorporating income and expenditure account.

1.11 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.12 Cash at Bank and in hand

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

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting Policies (continued)

1.14 Operating leases

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.15 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

1.16 Investment income

Dividends are included when receivable.

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

1.17 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities.

Finance costs and gains or losses relating to financial liabilities are included in the statement of financial activities. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability. Debt issue costs are offset against the debt and amortised over the term of the loan.

1.18 Heritage assets

Heirlooms represent a collection of historic trophies, portraits, pictures, plaques, honours boards and archives. These assets are not subject to depreciation and are revalued every five years.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting Policies (continued)

1.19 Significant adjustments and key areas of estimation uncertainty

The trustees consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the Charity's accounting policies or key sources of estimation uncertainty.

2. Income from donations and legacies - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	<u>3,450</u>	<u>-</u>	<u>-</u>	<u>3,450</u>	<u>4,239</u>
Total 2018	<u>-</u>	<u>4,239</u>	<u>-</u>	<u>4,239</u>	

3. Other income - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Write back of historical balances no longer due	<u>81,685</u>	<u>-</u>	<u>-</u>	<u>81,685</u>	<u>-</u>
	<u>81,685</u>	<u>-</u>	<u>-</u>	<u>81,685</u>	<u>-</u>

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4. Investment income - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	-	-	33,336	33,336	-
Bank and other interest	250	-	-	250	892
	<u>250</u>	<u>-</u>	<u>33,336</u>	<u>33,586</u>	<u>892</u>
<i>Total 2018</i>	<u>892</u>	<u>-</u>	<u>-</u>	<u>892</u>	

5. Other expenditure - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Fundraising trading expenses					
Write back of historical balances no longer due	(171,864)	-	-	(171,864)	-
	<u>(171,864)</u>	<u>-</u>	<u>-</u>	<u>(171,864)</u>	<u>-</u>
Net income from other expenditure	<u>171,864</u>	<u>-</u>	<u>-</u>	<u>171,864</u>	<u>-</u>

6. Transfer of Wilton Trust Fund - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer of Wilton Trust Fund	-	-	808,684	808,684	-
<i>Total 2018</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

7. Analysis of resources expended by expenditure type - Group

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total 2019 £	Total 2018 £
Charitable activities	(11,547)	1,315	29,000	18,768	(2,844)
Governance costs	<u>13,500</u>	<u>-</u>	<u>-</u>	<u>13,500</u>	<u>9,540</u>
Total	<u>1,953</u>	<u>1,315</u>	<u>29,000</u>	<u>32,268</u>	<u>6,696</u>

Charitable activities comprise grants payable (note 9) and support costs (note 10).

In 2018, of the total expenditure, £6,435 was from restricted funds and £261 was from unrestricted funds.

8. Governance costs - Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
Accountancy costs	<u>13,500</u>	<u>-</u>	<u>-</u>	<u>13,500</u>	<u>9,540</u>

9. Analysis of grants - Group

	Endowment 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Grants to institutions	-	1,315	1,315	6,435
Endowment grants	<u>29,000</u>	<u>-</u>	<u>29,000</u>	<u>-</u>
	<u>29,000</u>	<u>1,315</u>	<u>30,315</u>	<u>6,435</u>
Total 2018	<u>-</u>	<u>6,435</u>	<u>6,435</u>	

Grants of £30,315 were made to Liverpool College Independent School Trust (LCIST) to fund the following programmes:

	£
School prizes	1,315
Gifted and talented programme	29,000

The gifted and talented programme is funded from the Wilton Trust Fund.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

10. Support costs - Group

	Charitable activities £	Total 2019 £	Total 2018 £
Administration costs	9,242	9,242	16,115
Bad and doubtful debts recovered	(9,789)	(9,789)	(15,394)
Impairment charge written back	(11,000)	(11,000)	(10,000)
	<u>(11,547)</u>	<u>(11,547)</u>	<u>(9,279)</u>
<i>Total 2018</i>	<u>(9,279)</u>	<u>(9,279)</u>	

11. Trustee remuneration and expenses - Group

During the year, no Trustees received any remuneration (2018: £Nil).

During the year, no Trustees received any benefits in kind (2018: £Nil).

During the year, Trustees received reimbursement of expenses amounting to £2,614 (2018: £1,613).

12. Staff costs - Group

The average number of persons employed by the Group during the year was 0 (2018: 0).

13. Independent Examiners remuneration - Group

The Independent Examiners remuneration amounts to an Independent Examination fee of £8,800 (2018: £5,847), and accounts preparation of £4,700 (2018: £3,693).

14. Taxation - Group

Factors affecting tax charge for the year

The Company and its subsidiary undertaking have been granted charitable status and are thus exempt from corporation tax in respect of their charitable activities.

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15. Operations of subsidiary undertaking

A summary of the results of the Wilton Trust Fund is set out below:

	2019
	£
Investment income	33,336
Charitable activities	<u>(29,000)</u>
Net income	4,336
Net losses on investments	<u>(13,064)</u>
Net movement in funds	<u><u>(8,728)</u></u>

The net assets and liabilities of the Wilton Trust Fund were:

	2019
	£
Investments	794,041
Current assets	14,643
Creditors: amounts falling due within one year	<u>(8,728)</u>
Net assets	<u>799,956</u>
Endowment funds	<u><u>799,956</u></u>

The net assets and liabilities of the Wilton Trust Fund at 1 September 2018 were:

	£
Investments	807,105
Current assets	<u>1,579</u>
Net assets	808,684
Consideration	<u>-</u>
Gain on acquisition	<u><u>808,684</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets - Group and company

	Freehold property £	Heirlooms £	Total £
Cost			
At 1 September 2018 and 31 August 2019	<u>4,889,073</u>	<u>40,000</u>	<u>4,929,073</u>
Depreciation and impairment			
At 1 September 2018	4,618,073	-	4,618,073
Impairment charge written back	<u>(11,000)</u>	<u>-</u>	<u>(11,000)</u>
At 31 August 2019	<u>4,607,073</u>	<u>-</u>	<u>4,607,073</u>
Net book value			
At 31 August 2019	<u>282,000</u>	<u>40,000</u>	<u>322,000</u>
At 31 August 2018	<u>271,000</u>	<u>40,000</u>	<u>311,000</u>

The impairment charge written back relates to the granting of a 125 year peppercorn lease to Liverpool College Independent School Trust on 31 July 2013. The value of the Company's interest in the property at 31 August 2019 represents the discounted value (using a discount rate of 4% and assuming no growth) of the reversionary right in 119 years (2018: 120 years).

Heirlooms represent a collection of historic trophies, portraits, pictures, plaques, honours boards and archives. These assets are not subject to depreciation and are revalued every five years.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

17. Fixed asset investments - The Group

	The LCF Investment Fund £	The Wilton Trust Fund £	Total £
Market value			
At 1 September 2018	897,465	-	897,465
Additions	-	807,105	807,105
Revaluations	<u>8,929</u>	<u>(13,064)</u>	<u>(4,135)</u>
At 31 August 2019	<u><u>906,394</u></u>	<u><u>794,041</u></u>	<u><u>1,700,435</u></u>

Investments at market value comprise:

	2019 £	2018 £
The LCF Investment Fund	906,394	897,465
The Wilton Trust Fund	<u>794,041</u>	<u>-</u>
Total market value	<u><u>1,700,435</u></u>	<u><u>897,465</u></u>

All the fixed asset investments are held in the UK.

The Company

The charitable company's investments are represented by the LCF Investment Fund above.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

17. Fixed asset investments - The Group (continued)

The Charity invests in a wide spread of investment funds, focused on a mixture of capital, growth and income, whose underlying investments comprise a broad mixture of investments listed both in the UK and overseas.

All investments are carried at their fair value. Investment in equities are all traded in quoted public markets. Holdings in common investments funds are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the Trustees' Report.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. The Charity has a significant exposure to international companies, the values of which, together with their yields are exposed to exchange rate risk when converting the holdings into sterling.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments held for the longer term yield a total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

The LCF Investment Fund

The LCF Investment Fund is invested with St James's Place in a wide range of managed funds with the objective of generating growth. These funds cover equity markets in the UK, Europe, North America and Asia, whilst being balanced by property funds and a significant holding in fixed interest and cash. As at 31 August 2019 approximately 40% of the overall fund was invested in fixed interest, cash and property, with the remainder invested in equities.

The Wilton Trust Fund

The Wilton Trust Fund comprises two underlying funds invested with M&G, designated for charities. Approximately 65% is invested in the Equities Investment Fund, which is primarily invested in UK equities. Approximately 35% is invested in the Charibond Fixed Interest fund, a portfolio of gilt-edged and other fixed interest stocks and deposits designed to produce a high income whilst preserving capital value.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Stocks - Group and company

	2019 £	2018 £
Liverpool College 175 years of history books	<u>8,090</u>	<u>8,098</u>

19. Creditors: Amounts falling due within one year

	Group 2019 £	Company 2019 £	Group and Charitable Company 2018 £
Liverpool College Independent School Trust	-	-	163,724
Fees paid in advance	-	-	65,439
Enrolment fees	-	-	16,246
Accruals	19,738	11,010	18,674
Grants payable	9,578	9,578	41,332
	<u>29,316</u>	<u>20,588</u>	<u>305,415</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

20. Statement of funds

Statement of funds - Group current year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Designated funds					
Education Development Fund	<u>351,038</u>	<u>3,450</u>	<u>-</u>	<u>-</u>	<u>354,488</u>
General funds					
General Fund	<u>169,786</u>	<u>81,935</u>	<u>169,911</u>	<u>3,576</u>	<u>425,208</u>
Total Unrestricted funds	<u>520,824</u>	<u>85,385</u>	<u>169,911</u>	<u>3,576</u>	<u>779,696</u>
Endowment funds					
Wilton Trust Fund	<u>-</u>	<u>842,020</u>	<u>(29,000)</u>	<u>(13,064)</u>	<u>799,956</u>
Restricted funds					
Liverpool College 1840 Foundation	<u>449,265</u>	<u>-</u>	<u>(1,315)</u>	<u>5,353</u>	<u>453,303</u>
Brenikov Music Scholarship	<u>24,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,250</u>
	<u>473,515</u>	<u>-</u>	<u>(1,315)</u>	<u>5,353</u>	<u>477,553</u>
Total of funds	<u>994,339</u>	<u>927,405</u>	<u>139,596</u>	<u>(4,135)</u>	<u>2,057,205</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

20. Statement of funds (continued)

Statement of funds – Charitable company current year

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Designated funds					
Education Development Fund	<u>351,038</u>	<u>3,450</u>	<u>-</u>	<u>-</u>	<u>354,488</u>
General funds					
General Fund	<u>169,786</u>	<u>81,935</u>	<u>169,911</u>	<u>3,576</u>	<u>425,208</u>
Total Unrestricted funds	<u>520,824</u>	<u>85,385</u>	<u>169,911</u>	<u>3,576</u>	<u>779,696</u>
Restricted funds					
Liverpool College 1840 Foundation	449,265	-	(1,315)	5,353	453,303
Brenikov Music Scholarship	24,250	-	-	-	24,250
	<u>473,515</u>	<u>-</u>	<u>(1,315)</u>	<u>5,353</u>	<u>477,553</u>
Total of funds	<u>994,339</u>	<u>85,385</u>	<u>168,596</u>	<u>8,929</u>	<u>1,257,249</u>

Statement of funds - prior year – Group and company

Designated funds

Education Development Fund	351,038	-	-	-	351,038
	<u>351,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>351,038</u>

General funds

General Fund	<u>160,802</u>	<u>892</u>	<u>(261)</u>	<u>8,353</u>	<u>169,786</u>
Total Unrestricted funds	<u>511,840</u>	<u>892</u>	<u>(261)</u>	<u>8,353</u>	<u>520,824</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds (continued)

Restricted funds

Liverpool College 1840 Foundation	427,330	4,239	(5,685)	23,381	449,265
Brenikov Music Scholarship	25,000	-	(750)	-	24,250
	<u>452,330</u>	<u>4,239</u>	<u>(6,435)</u>	<u>23,381</u>	<u>473,515</u>
Total of funds	<u>964,170</u>	<u>5,131</u>	<u>(6,696)</u>	<u>31,734</u>	<u>994,339</u>

The general fund and the Education Development Fund are unrestricted.

The Education Development Fund has been invested for income and growth.

Restricted funds

The Liverpool College 1840 Foundation

The Liverpool College 1840 Foundation is for educational development.

These funds comprise a number of historic donations. The detailed restrictions attached to these funds vary in nature.

The Liverpool College 1840 Foundation Fund has been invested for income and growth.

The Brenikov Music Scholarship

The Brenikov Music Scholarship is to be invested for income and growth, with a commitment to use 3% of the capital annually to fund music lessons for pupils who show talent in music but who cannot afford music lessons.

Endowment funds

The Wilton Trust Fund

The Wilton Trust Fund is invested to generate income and maintain capital. It is an endowment fund which was established to promote or further the education of students of Liverpool College Independent School Trust (the Academy). The Trustees agreed that this fund should support the Academy's Gifted and Talented Programme, a wide-ranging programme of activities which is structured to provide opportunities for all students throughout the Academy.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

21. Analysis of net assets between funds

Analysis of net assets between funds - current year - the Group

	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £
Tangible fixed assets	322,000	-	-	322,000
Fixed asset investments	362,967	543,427	794,041	1,700,435
Current assets	32,204	17,239	14,643	64,086
Creditors due within one year	62,525	(83,113)	(8,728)	(29,316)
	<u>779,696</u>	<u>477,553</u>	<u>799,956</u>	<u>2,057,205</u>

Analysis of net assets between funds - current year - the charitable company

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	322,000	-	322,000
Fixed asset investments	362,967	543,427	906,443
Current assets	32,204	17,239	49,443
Creditors due within one year	62,525	(83,113)	(20,588)
	<u>779,696</u>	<u>477,553</u>	<u>1,257,249</u>

Analysis of net assets between funds - prior year - the Group and the charitable company

	Unrestricted funds 2018 £	Restricted funds 2018 £	Endowment funds 2018 £	Total funds 2018 £
Tangible fixed assets	311,000	-	-	311,000
Fixed asset investments	359,392	538,073	-	897,465
Current assets	77,500	13,789	-	91,289
Creditors due within one year	(227,068)	(78,347)	-	(305,415)
	<u>520,824</u>	<u>473,515</u>	<u>-</u>	<u>994,339</u>

22. Contingent liabilities

In July 2013 the Company received £2,500,000 from the Department for Education (DfE). The money is repayable in the event that the Funding Agreement between Liverpool College Independent School Trust and the DfE is terminated.

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Capital commitments

The group had no capital commitments at 31 August 2019 or 31 August 2018.

24. Liverpool College Independent School Trust (LCIST)

The activities of the main school were transferred from the Company to LCIST to operate an Academy from 1 September 2013.

On 31 July 2013, the Company granted a 125 lease of the whole school campus and the buildings thereon at a peppercorn rent. During that year, a grant of £2,500,000 was received from the Department for Education. The loan is repayable in the event that the funding agreement between LCIST and the Department for Education is terminated.