

THE LIVERPOOL COLLEGE FOUNDATION
(A company limited by guarantee)

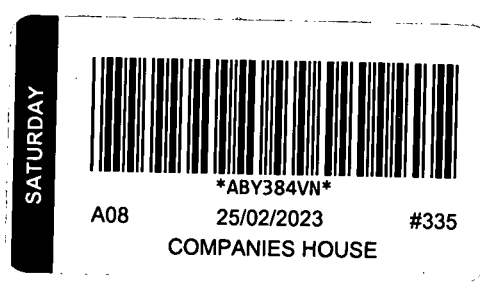
Registered number: 00004466
Charity number: 526682

THE LIVERPOOL COLLEGE FOUNDATION
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



THE LIVERPOOL COLLEGE FOUNDATION
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Mr C C Hubbard Mr G H Pybus Mr K Siviter Mr N A Moss Mr W R E L Thompson Mr H S Hackney Mr R S W Peach Mr Z U Chaudhry Mr T H McConnell
Company registered number	00004466
Charity registered number	526682
Registered office	Beechlands Liverpool College Mossley Hill Liverpool L18 8BG
Company secretary	Mr W R E L Thompson
President	The Rt Hon 19th Earl of Derby DL
Accountants	Grant Thornton UK LLP Chartered Accountants 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 2022

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 2022.

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 the Wilton Trust Fund, for which the Foundation is the Corporate Trustee, and is therefore consolidated as a 100% subsidiary.

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 (second edition, issued in October 2019) applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

History of The Liverpool College Foundation

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 motto was and still remains- "Non Solum Ingenii Verum Etiam Virtutis" i.e., "Not only the Intellect but also the Character", and is 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". 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."

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Activities and Objectives

The activities of the Foundation are described in detail later in this Trustees Report. The original activities as described above have developed over the years, in particular following the transition of Liverpool College from an independent school to an Academy in September 2013. However, the fundamental objects of the Foundation have remained unchanged, which is to provide support to Liverpool College ("the Academy") in various ways available to the Trustees - This support includes:

- the provision of financial support through regular grant funding or for specific projects.
- the management of land and buildings and other assets made available to the Academy, or through the engagement with alumni and the wider Academy network.
- the assessment of all grant funding applications rigorously to ensure that funding is only provided where this is otherwise unavailable from grants or funding sourced by the Academy or from Government or State sources.

Structure, governance and management

The Board of Trustees is the governing body of the Foundation, elected by Foundation Members, and the current Trustees are listed on page 1. 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 General Meeting. Charles Hubbard, Roger Peach and Ric Thompson are eligible for re-election as Trustees by Foundation Members at the forthcoming General Meeting.

The specific remits of the Trustees in this year have been:

Chairman	– Charles Hubbard
Business Strategy and Planning	– Nigel Moss
Finance, Treasury and Investment	– Nigel Moss
Foundation Members	– Ric Thompson
Old Lerpoolian Society	– Ric Thompson
Company Secretary	– Ric Thompson
Estates	– Charles Hubbard
The Wilton Trust	– Howard Hackney
Educational Development Fund (the 1840)	– Graham Pybus
1840 Initiatives / The Lerpoolians	– Roger Peach
Archives	– Ken Siviter

Mrs Amanda Gemmell has continued to provide invaluable support to the Foundation as Clerk to the Trustees and Accountant.

The Trustees continue to seek to recruit new Trustees who can offer a wide variety of skills and experience. As reported last year, following their co-option to the Board, the appointments of Zia Chaudhry and Tom McConnell were approved by Foundation Members at the General Meeting on January 2022. The Foundation provides equal opportunities for all staff.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

John Robertson

We reported last year that John Robertson, a Trustee for a period covering more than three decades, had retired in January 2021. We are very sad to report that, following a period of deteriorating health, John passed away on 6 May 2022. John's contribution to the Foundation and to Liverpool College had been immense over an exceptionally long period and was described in our report last year. He will be very much missed by all who knew him.

The Foundation's legal commitments

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 Liverpool College 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 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 replacement 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 of the Property.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 been 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 ongoing 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 and the Wilton Trust Fund both give support to the Academy for Pupil Prizes and Educational Development initiatives.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Activities of the Foundation in 2021/2022

We have continued to build on the Foundation's work of the previous years with the following key activities:

i) The LCF Investment Fund

The LCF Investment Fund (or the Fund) was established in December 2015 with an initial sum of £720,000 invested from the Foundation's cash resources with St James's Place (SJP). The total amount which has been invested with SJP is now £790,000. 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.

The Trustees continue to regard the most important issue in the management of the Fund to be our choice of investments and our spread of risk. We 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.

A grant of £250,000 was made in July 2020 from the SJP Fund to provide critical additional funding to the Academy to enable it to complete the building of a new four classroom block in its Prep School. This building was named the Noel Chavasse VC Pool house and has already proved to be an invaluable additional resource for the Prep School.

The Trustees are committed to increase its annual grant funding resource to the Academy in relation to the Foundation's legacies and bequests. Such funding will be made only once approved pursuant to a rigorous process of review of appropriate funding applications by the Academy which must meet certain pre-agreed criteria.

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

ii) 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

iii) The Lerpooians

We are pleased to report that further strong progress has been made with the development of The Lerpooians, a website which is aimed at supporting the Academy in a number of ways. These include the strengthening of our relationships with the alumni of Liverpool College, the installation of a more accurate and modern method of Membership Record keeping and Communication and the proper organisation, storage and presentation of the Archives.

Regular communications are being posted and this has engaged an increase in membership. The joining of Old Huytonians (alumni of Huyton College, the Academy's former sister school) has also widened the engagement.

The Trustees are in the process of considering how else The Lerpooians may be used to provide benefit to the Academy – this is part of the overall strategy review being undertaken. Further news of these developments will be reported in due course.

iv) Estate

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

The development of the Estate has continued, to accommodate a new Boarding House from September 2021 by the conversion of Beechlands and to create facilities for higher pupil numbers in the Prep School.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

v) The Wilton Trust Fund

As described in previous years' reports, the Foundation is the sole Corporate Trustee of the Wilton Trust Fund, a separate charitable fund whose assets are held in the Thomas Ryder Wilton Bequest, registered charity number 529915. The Wilton Trust Fund is managed under the operational umbrella of the Foundation and is therefore treated as a subsidiary undertaking of the Foundation but has been included as a separate endowment fund which remains subject to the objectives and principles of the Thomas Ryder Wilton Bequest.

The Wilton Trust Fund has for many years been invested with M&G in two underlying funds, the Equities Investment Fund for Charities (Charifund), which is primarily invested in UK equities, and the Charibond Charities Fixed Interest Fund (Charibond), a portfolio of gilt-edged and other fixed interest stocks and deposits designed to produce a high income whilst preserving capital value.

The combined funds seek primarily to generate income returns, whilst maintaining its capital, to provide the funding to support the Academy's Gifted and Talented programme. This programme comprises a comprehensive and outstanding range of activities and events on a daily basis which provide opportunities for a significant number of students to enrich their education outside the main curriculum.

The Trustees carry out a review of the investment fund at least annually and, as reported last year, it was agreed that alternative funds would be considered during the current year. After a comprehensive review, the Trustees decided during the year that an alternative fund manager and investment focus was in the best interests of the Wilton Trust. Primarily the Trustees concluded that the underlying investments of the existing fund were not sufficiently spread either geographically or by asset class. Following presentations from three fund managers, it was decided to appoint Investec Wealth Management to manage the funds on a discretionary basis.

Accordingly, on 1 September 2022 the M&G Funds were sold at a valuation of £737,710. The proceeds were received shortly after the year end and on 6 September 2022 an amount of £730,000 was invested with Investec in a widely spread portfolio. The overall investment strategy is broadly consistent with the risk profile of the SJP Fund, at the high end of the Medium Risk level and has balanced investment objectives.

The initial portfolio is widely spread and broadly comprises the following - Asset split – equities 60% (comprising UK 11%, Europe 11%, North America 22%, other 16%), fixed interest 20%, alternative assets, property and cash 20%

The performance of The Wilton Trust during the year is reported under the Financial review below.

Financial review

The group made a deficit for the year ending 31 August 2022 of £119,850 (2021: surplus £331,298). This is due to a number of factors.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Both investment funds (the LCF Investment Fund and the Wilton Trust Fund) were significantly impacted by the market's reaction to the Ukraine conflict and the energy crisis during 2022.

The LCF Investment Fund valuation decreased during the year by £42,856 (2021: increase £122,831), representing a fall of 5.2% compared with the valuation at 31 August 2021, reducing the fund valuation from £818,950 to £776,094 at 31 August 2022.

The Wilton Trust Fund valuation decreased during the year by £60,791 (2021: increase £102,349), representing a fall of 7.6% compared with valuation at 31 August 2021, reducing the fund valuation from £798,501 to £737,710 at 31 August 2022. Distributions received from the funds during the year were slightly higher at £31,130 (2021: £28,999), enabling a total funding grant of £38,176 (2021: £28,000) to be made to the Academy to support its Gifted and Talented programme.

Donations received during the year were £3,721 (2021: £120,742, which included a bequest of £117,884 from the estate of JAB Johnson).

In addition to the grant for the Gifted and Talented programme, grants of £7,300 were allocated during the year (2021: £12,400), which included £5,900 to support the development of The Lerpoolians website. Total administration and governance costs (excluding the recovery of bad and doubtful debts, the release of impairment charge and stock write off) were £19,823 (2021: £18,595).

As at 31 August 2022 the group's total funds were £1,877,211 (2021: £1,997,061), which the Trustees consider 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 c. 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 2022 the valuation was £317,000 (2021: £305,000).

Reserves policy

The Foundation aims to maintain in available cash coverage of 2 months of running costs. At the financial year end the Foundation held sufficient cash and accessible funds to meet this requirement.

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. With regard to the two investment funds it should be noted that the value of the funds' investments can go down as well as up.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 £491,284 (2021: £525,021).

Strategic objectives

i) Overall focus

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 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.

ii) Review of strategy and plans for forward periods

In September 2022, the Trustees completed a comprehensive review of LCF's overall strategies and policies, with the aim of isolating and reassessing the key functions and targets for the Trustees to focus on as their prime strategic objectives over the next 5 years.

Following this review the Trustees established the following as their key strategic objectives to ensure the most effective support for the Academy:

- Continuing the effective management of the investment funds - LCF Investment Fund (St James's Place) and the Wilton Trust Fund (Investec)
- Implementation of a formal process for the Academy to access grant funding – ensuring that is only provided where such funds are otherwise unavailable from grants or funding sourced by the Academy or from Government or State sources
- Fund-raising and marketing initiatives
- Succession planning for the Board of Trustees and recruitment of Foundation Members
- Enhanced communications with the Academy Senior Leadership Team, Governors and alumni
- Archives and heirlooms

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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' annual report and the financial statements in accordance with applicable law and regulations.

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 charitable 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 business.

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 company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 7/2/2023 and signed on their behalf by:

Charles Hubbard

Mr C C Hubbard
Chairman

THE LIVERPOOL COLLEGE FOUNDATION
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

I report on the accounts of The Liverpool College Foundation (the "charity") for the year ended 31 August 2022, which are set out on pages 14 to 34.

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

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts. The charitable company's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 and Part 16 of the Companies Act 2006 and that an independent examination is needed). I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

Article I. examine the accounts under section 145 of the Charities Act 2011;

Article II. to follow the procedures laid down the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011; and

Article III. to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a comparison of the accounts with the accounting records kept by the charitable company. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent examiner's statement

In connection with my examination no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006;
 - to prepare accounts which accord with the accounting records;
 - to comply with the accounting requirements of section 396 of the Companies Act 2006; and
 - to comply with the Statement of Recommended Practice '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 January 2015)'
- have not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Michael J Delf FCA
Grant Thornton UK LLP
Chartered Accountants
Liverpool

Date: 10/2/2023

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	2	3,721	-	-	3,721	120,742
Investments	3			31,130	31,130	28,999
Total income and endowments		3,721	-	31,130	34,851	149,741
Expenditure on:						
Charitable activities	4	11,478	1,400	38,176	51,054	52,523
Total expenditure		11,478	1,400	38,176	51,054	52,523
Net income / (expenditure) before gains/(losses)		(7,757)	(1,400)	(7,046)	(16,203)	97,218
Net gains/(losses) on Investments	15	(10,519)	(32,337)	(60,791)	(103,647)	225,180
Net gains/(losses) on Fixed assets	14	-	-	-	-	8,900
Total gains and losses		(10,519)	(32,337)	(60,791)	(103,647)	234,080
Net movement in funds		(18,276)	(33,737)	(67,837)	(119,850)	331,298
Reconciliation of funds:						
Total funds brought forward		637,032	547,771	812,258	1,997,061	1,665,763
Net movement in funds		(18,276)	(33,737)	(67,837)	(119,850)	331,298
Total funds carried forward		618,756	514,034	744,421	1,877,211	1,997,061

The financial activities above include £3,721 (2021: £120,742) income and £12,878 (2021: £24,523) expenditure relating to the charitable company.

The notes on pages 17 to 34 form part of these financial statements.

THE LIVERPOOL COLLEGE FOUNDATION
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CONSOLIDATED BALANCE SHEET
AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	365,900	353,900
Investments	15	1,513,804	1,617,451
		<u>1,879,704</u>	<u>1,971,351</u>
Current assets			
Cash at bank and in hand		50,716	78,993
		<u>50,716</u>	<u>78,993</u>
Creditors: amounts falling due within one year	16	(53,209)	(53,283)
Net current assets		<u>(2,493)</u>	<u>25,710</u>
Net assets		<u>1,877,211</u>	<u>1,997,061</u>
Charity funds			
Endowment funds	17	744,421	812,258
Restricted funds	17	514,034	547,771
Unrestricted funds	17	618,756	637,032
Total funds		<u>1,877,211</u>	<u>1,997,061</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 7/2/2023 and signed on their behalf, by:

Charles Hubbard

Charles C Hubbard
Chairman

Nigel A Moss

Nigel A Moss
Treasurer

The notes on pages 17 to 34 form part of these financial statements.

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CHARITABLE COMPANY BALANCE SHEET
AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	365,900	353,900
Investments	15	776,094	818,950
		<u>1,141,994</u>	<u>1,172,850</u>
Current assets			
Cash at bank and in hand		29,651	51,063
		<u>29,651</u>	<u>51,063</u>
Creditors: amounts falling due within one year	16	(38,855)	(39,110)
Net current assets		<u>(9,204)</u>	<u>11,953</u>
Net assets		<u>1,132,790</u>	<u>1,184,803</u>
Charity funds			
Restricted funds	17	514,034	547,771
Unrestricted funds	17	618,756	637,032
Total funds		<u>1,132,790</u>	<u>1,184,803</u>

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 reduction in funds for the year was £52,013 (2021: increase £227,950).

The financial statements were approved and authorised for issue by the Trustees on 7/2/2023 and signed on their behalf, by:

Charles Hubbard

Charles C Hubbard
Chairman

Nigel A Moss

Nigel A Moss
Treasurer

The notes on pages 17 to 34 form part of these financial statements.

THE LIVERPOOL COLLEGE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

i) Basis of preparation of financial statements

The financial statements have been prepared in accordance with the second edition of 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)(issued in October 2019) (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.

ii) 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.

iii) 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.

iv) Basis of consolidation

The group financial statements consolidate those of the charitable company and its subsidiary undertaking drawn up to 31 August 2022 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Accounting policies (continued)

v) 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.

vi) 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.

vii) 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.

THE LIVERPOOL COLLEGE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Accounting policies (continued)

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.

viii) 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.

ix) 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 2022 represents the discounted value (using a discount rate of 4% and assuming no growth) of the reversionary right in 116 years (2021: 117 years).

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

x) 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Accounting policies (continued)

xi) 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.

xii) 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.

xiii) 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.

xiv) 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.

xv) 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

THE LIVERPOOL COLLEGE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Accounting policies (continued)

rate of charge on the outstanding liability. Debt issue costs are offset against the debt and amortised over the term of the loan.

xvi) 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 periodically.

xvii) 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 £	Restricted funds £	Endowment funds £	Total funds £
2022				
Donations	<u>3,721</u>	<u>-</u>	<u>-</u>	<u>3,721</u>
2021				
Donations	<u>120,742</u>	<u>-</u>	<u>-</u>	<u>120,742</u>

3. Investment income – Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
2022				
Investment income	<u>-</u>	<u>-</u>	<u>31,130</u>	<u>31,130</u>
2021				
Investment income	<u>-</u>	<u>-</u>	<u>28,999</u>	<u>28,999</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Analysis of resources expended by expenditure type – Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
2022				
Charitable activities	3,678	1,400	38,176	43,254
Governance costs	7,800	-	-	7,800
	<u>11,478</u>	<u>1,400</u>	<u>38,176</u>	<u>51,054</u>
2021				
Charitable activities	13,373	2,150	28,000	43,523
Governance costs	9,000	-	-	9,000
	<u>22,373</u>	<u>2,150</u>	<u>28,000</u>	<u>52,523</u>

5. Analysis of charitable activities expenditure – Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
2022				
Grants payable	5,900	1,400	38,176	45,476
Support costs	(2,222)	-	-	(2,222)
	<u>3,678</u>	<u>1,400</u>	<u>38,176</u>	<u>43,254</u>
2021				
Grants payable	10,250	2,150	28,000	40,400
Support costs	3,123	-	-	3,123
	<u>13,373</u>	<u>2,150</u>	<u>28,000</u>	<u>43,523</u>

6. Governance costs – Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
2022				
Accountancy costs	7,800	-	-	7,800
2021				
Accountancy costs	9,000	-	-	9,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Analysis of grants payable – Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
2022				
Grants to institutions	5,900	1,400	-	7,300
Endowment grants	-	-	38,176	38,176
	<u>5,900</u>	<u>1,400</u>	<u>38,176</u>	<u>45,476</u>
2021				
Grants to institutions	10,250	2,150	-	12,400
Endowment grants	-	-	28,000	28,000
	<u>10,250</u>	<u>2,150</u>	<u>28,000</u>	<u>40,400</u>

Grants were made to Liverpool College Independent School Trust (LCIST) to fund the following programmes:

	2022 £	2021 £
Website development	5,900	5,900
Gladstone Leadership and Management Programme	-	4,350
Brenikov Music scholarship	-	750
School prizes	1,400	1,400
Gifted and Talented programme	38,176	28,000
	<u>45,476</u>	<u>40,400</u>

8. Support costs – Group

Grants were made to Liverpool College Independent School Trust (LCIST) to fund the following programmes:

	Charitable activities	Total 2022 £	Total 2021 £
Administration costs	12,023	12,023	9,595
Bad and doubtful debts recovered	(2,245)	(2,245)	(2,562)
Impairment charge written back	(12,000)	(12,000)	(12,000)
Stock written off	-	-	8,090
	<u>(2,222)</u>	<u>(2,222)</u>	<u>3,123</u>

Support costs for 2021 comprise charitable activities.

9. Trustee remuneration and expenses – Group

During the year, no Trustees received any remuneration (2021: £nil) or benefits in kind (2021: £nil).
During the year, Trustees received reimbursement of expenses amounting to £nil (2021: £nil).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff costs – Group

No persons were employed by the Group during the current or prior year.

11. Independent Examiners remuneration – Group

Governance costs comprise the Independent Examiners remuneration of £6,300 (2021: £7,500), and accounts preparation of £1,500 (2021: £1,500), as set out below:

	2022	2021
	£	£
Independent Examination fee – Foundation	4,200	4,200
Accounts preparation – Foundation	1,500	1,500
Independent Examination fee – The Wilton Trust – current year	2,100	2,100
Independent Examination fee – The Wilton Trust – prior period	-	1,200
	<u>7,800</u>	<u>9,000</u>

12. 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.

13. Operations of subsidiary undertaking

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

	2022	2021
	£	£
Investment income	31,130	28,999
Charitable activities	(38,176)	(28,000)
Net (expense)/income	(7,046)	999
Net (losses)/gains on investments	(60,791)	102,349
Net movement in funds	<u>(67,837)</u>	<u>103,348</u>

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

	2022	2021
	£	£
Investments	737,710	798,501
Cash at bank and in hand	21,065	27,930
Creditors: amounts falling due within one year	(14,354)	(14,173)
Net assets	<u>744,421</u>	<u>812,258</u>
Endowment funds	<u>744,421</u>	<u>812,258</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Tangible fixed assets – Group and company

	Freehold property £	Heirlooms £	Total £
Cost or valuation			
At 1 September 2021 and 31 August 2022	<u>4,889,073</u>	<u>48,900</u>	<u>4,937,973</u>
Depreciation and impairment			
At 1 September 2021	(4,584,073)	-	(4,584,073)
Impairment charge written back	<u>12,000</u>	<u>-</u>	<u>12,000</u>
At 31 August 2022	<u>(4,572,073)</u>	<u>-</u>	<u>(4,572,073)</u>
Net book value			
At 31 August 2022	<u>317,000</u>	<u>48,900</u>	<u>365,900</u>
At 31 August 2021	<u>305,000</u>	<u>48,900</u>	<u>353,900</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 2022 represents the discounted value (using a discount rate of 4% and assuming no growth) of the reversionary right in 116 years (2021: 117 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 periodically. A valuation was carried out in November 2021 by F Turner & Sons, Auctioneers & Valuers, Liverpool which valued the heirlooms on an open market valuation basis at £48,900. Accordingly the Trustees have determined that this should be reflected in the valuation at 31 August 2022.

15. Fixed asset investments – The Group

	The LCF Investment Fund £	The Wilton Trust Fund £	Total £
Market value			
At 1 September 2021	818,950	798,501	1,617,451
Investments	-	-	-
Revaluations	<u>(42,856)</u>	<u>(60,791)</u>	<u>(103,647)</u>
At 31 August 2022	<u>776,094</u>	<u>737,710</u>	<u>1,513,804</u>

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Investments at market value comprise:

	2022	2021
	£	£
The LCF Investment Fund	776,094	818,950
The Wilton Trust Fund	737,710	798,501
Total market value	<u>1,513,804</u>	<u>1,617,451</u>

The Company

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

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. Investments 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.

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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 2022 approximately 33% of the overall fund valuation comprised investment in fixed interest, cash and property, with 67% invested in equities.

The Wilton Trust Fund

The Wilton Trust Fund has for many years been invested in two underlying funds with M&G, designated for charities. These comprise the Equities Investment Fund for Charities (Charifund), which is primarily invested in UK equities, and the Charibond Charities Fixed Interest Fund (Charibond), a portfolio of gilt-edged and other fixed interest stocks and deposits designed to produce a high income whilst preserving capital value.

As at 31 August 2022 the valuation of the M&G Investments was £737,710, comprised £483,710 (66%) in the Charifund (2021: 65%) and £254,000 (34%) in the Charibond (2021: 35%).

After a comprehensive review, the Trustees decided during the year that an alternative fund manager and investment focus was in the best interests of the Wilton Trust. Primarily the Trustees concluded that the underlying investments of the existing fund were not sufficiently spread either geographically or by asset class. Following presentations from three fund managers, it was decided to appoint Investec Wealth Management to manage the funds on a discretionary basis.

Accordingly, on 1 September 2022 the M&G Funds were sold at the above valuation of £737,710. The proceeds were received shortly after the year end, and on 6 September 2022 an amount of £730,000 was invested with Investec in a widely spread portfolio.

16. Creditors: Amounts falling due within one year – Group and company

	Group	Company	Group	Company
	2022	2022	2021	2021
	£	£	£	£
Accruals	15,017	15,017	15,632	15,632
Grants payable	38,192	23,838	37,651	23,478
	53,209	38,855	53,283	39,110

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

i) Statement of funds – Group current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds:						
Education						
Development Fund	358,488	3,081	-	-	-	361,569
General funds:						
General Fund	278,544	640	(11,478)	(10,519)	-	257,189
	<u>637,032</u>	<u>3,721</u>	<u>(11,478)</u>	<u>(10,519)</u>	<u>-</u>	<u>618,756</u>
Restricted funds						
Liverpool College						
1840 Foundation	525,021	-	(1,400)	(32,337)	-	491,284
Brenikov Music						
Scholarship	22,750	-	-	-	-	22,750
	<u>547,771</u>	<u>-</u>	<u>(1,400)</u>	<u>(32,337)</u>	<u>-</u>	<u>514,034</u>
Endowment funds						
Wilton Trust Fund	812,258	31,130	(38,176)	(60,791)	-	744,421
Total of funds	<u>1,997,061</u>	<u>34,851</u>	<u>(51,054)</u>	<u>(103,647)</u>	<u>-</u>	<u>1,877,211</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

ii) Statement of funds – Group prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds:						
Education Development Fund	356,788	1,700	-	-	-	358,488
General funds:						
General Fund	142,827	119,042	(22,373)	39,048	-	278,544
	<u>499,615</u>	<u>120,742</u>	<u>(22,373)</u>	<u>39,048</u>	<u>-</u>	<u>637,032</u>
Restricted funds						
Liverpool College 1840 Foundation Brenikov Music Scholarship	433,738	-	(1,400)	92,683	-	525,021
	<u>23,500</u>	<u>-</u>	<u>(750)</u>	<u>-</u>	<u>-</u>	<u>22,750</u>
	<u>457,238</u>	<u>-</u>	<u>(2,150)</u>	<u>92,683</u>	<u>-</u>	<u>547,771</u>
Endowment funds						
Wilton Trust Fund	<u>708,910</u>	<u>28,999</u>	<u>(28,000)</u>	<u>102,349</u>	<u>-</u>	<u>812,258</u>
Total of funds	<u>1,665,763</u>	<u>149,741</u>	<u>(52,523)</u>	<u>234,080</u>	<u>-</u>	<u>1,997,061</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

iii) Statement of funds – Charitable company current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds:						
Education						
Development Fund	358,488	3,081	-	-	-	361,569
General funds:						
General Fund	278,544	640	(11,478)	(10,519)	-	257,187
	<u>637,032</u>	<u>3,721</u>	<u>(11,478)</u>	<u>(10,519)</u>	<u>-</u>	<u>618,756</u>
Restricted funds						
Liverpool College						
1840 Foundation	525,021	-	(1,400)	(32,337)	-	491,284
Brenikov Music						
Scholarship	22,750	-	-	-	-	22,750
	<u>547,771</u>	<u>-</u>	<u>(1,400)</u>	<u>(32,337)</u>	<u>-</u>	<u>514,034</u>
Total of funds	<u>1,184,803</u>	<u>3,721</u>	<u>(12,878)</u>	<u>(42,856)</u>	<u>-</u>	<u>1,132,790</u>

iv) Statement of funds – Charitable company prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains / (Losses) £	Transfers £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds:						
Education						
Development Fund	356,788	1,700	-	-	-	358,488
General funds:						
General Fund	142,827	119,042	(22,373)	39,048	-	278,544
	<u>499,615</u>	<u>120,742</u>	<u>(22,373)</u>	<u>39,048</u>	<u>-</u>	<u>637,032</u>
Restricted funds						
Liverpool College						
1840 Foundation	433,738	-	(1,400)	92,683	-	525,021
Brenikov Music						
Scholarship	23,500	-	(750)	-	-	22,750
	<u>457,238</u>	<u>-</u>	<u>(2,150)</u>	<u>92,683</u>	<u>-</u>	<u>547,771</u>
Total of funds	<u>956,853</u>	<u>120,742</u>	<u>(24,523)</u>	<u>131,731</u>	<u>-</u>	<u>1,184,803</u>

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NOTES TO THE FINANCIAL STATEMENTS
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i) Unrestricted funds

The General Fund and the Education Development Fund are unrestricted. The Education Development Fund has been invested for income and growth.

ii) Restricted funds

a) The Liverpool College 1840 Foundation

- The Liverpool College 1840 Foundation is for educational development and has been invested for income and
- These funds comprise a number of historic donations. The detailed restrictions attached to these funds vary in nature.

b) 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.

iii) Endowment funds

The Wilton Trust Fund

- The Wilton Trust Fund is an endowment fund established to promote or further the education of students of Liverpool College Independent School Trust (the Academy). It is invested to generate income and maintain capital.
- The Trustees have 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.

THE LIVERPOOL COLLEGE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Analysis of net assets between funds

i). Analysis of net assets between funds – the Group

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Current year - 2022				
Tangible fixed assets	365,900	-	-	365,900
Fixed asset investments	190,487	585,607	737,710	1,513,804
Current assets	29,651	-	21,065	50,716
Creditors due within one year	32,718	(71,573)	(14,354)	(53,209)
	<u>618,756</u>	<u>514,034</u>	<u>744,421</u>	<u>1,877,211</u>
Prior year - 2021				
Tangible fixed assets	353,900	-	-	353,900
Fixed asset investments	201,005	617,945	798,501	1,617,451
Current assets	51,063	-	27,930	78,993
Creditors due within one year	31,064	(70,174)	(14,173)	(53,283)
	<u>637,032</u>	<u>547,771</u>	<u>812,258</u>	<u>1,997,061</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

ii) Analysis of net assets between funds – the charitable company

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Current year - 2022			
Tangible fixed assets	365,900	-	365,900
Fixed asset investments	190,487	585,607	776,094
Current assets	29,651	-	29,651
Creditors due within one year	32,718	(71,573)	(38,855)
	<u>618,756</u>	<u>514,034</u>	<u>1,132,790</u>
Prior year - 2021			
Tangible fixed assets	353,900	-	353,900
Fixed asset investments	201,005	617,945	818,950
Current assets	51,063	-	51,063
Creditors due within one year	31,064	(70,174)	(39,110)
	<u>637,032</u>	<u>547,771</u>	<u>1,184,803</u>

THE LIVERPOOL COLLEGE FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. 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.

20. Capital commitments

The group had no capital commitments at 31 August 2022 or 31 August 2021.

21. 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.