

THE ROYAL PINNER SCHOOL FOUNDATION
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019



THE ROYAL PINNER SCHOOL FOUNDATION

I N D E X

Year ended 31 March 2019

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THE ROYAL PINNER SCHOOL FOUNDATION

GENERAL INFORMATION

Year ended 31 March 2019

Patron	Her Majesty The Queen	
Trustees	Duncan Cashmore James Dye BA ATT Stephen Wilson MA Brian Brockmann-Smith Gillian Brookes BA Michael Corfe Jane Pool James Ridgway BSc ACA	Chairman Finance Committee Chairman Grants Committee Chairman
Company Secretary Assistant Secretary	David Crawford Jane Crawford	
Registered office and operational address	110 Old Brompton Road South Kensington London SW7 3RB Telephone: 020 7373 6168 Email: admin@royalpinner.co.uk	
Registered charity number	1128414	
Company number	06805043	
Bankers	Barclays Bank plc 114 Gloucester Road South Kensington London SW7 4SE	
Investment Managers	Cazenove Capital Management Ltd 1 London Wall Place London EC2Y 5AU	
Solicitors	Devonshires 30 Finsbury Circus London EC2M 7DT	
Auditors	Dixon Wilson 22 Chancery Lane London WC2A 1LS	

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT

Year ended 31 March 2019

The Trustees present their report and accounts for the year ended 31 March 2019. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice Accounting and Reporting by Charities (FRS 102). The Royal Pinner School Foundation is a company limited by guarantee and is exempt from using the word limited under section 60 of the Companies Act 2006 and is also now known as The Royal Pinner Educational Trust.

Constitution

The Charity is constituted as a company limited by guarantee, incorporated on 29 January 2009 and is governed by its memorandum and articles of association.

The Charity's objects are the promotion of the education of the children of commercial travellers, with a preference for children who have not attained the age of twenty-five years, and primarily of the destitute orphans of deceased and the children of necessitous commercial travellers ("beneficiaries") in one or more of the following ways:

- i) in awarding the beneficiaries exhibitions, bursaries, maintenance allowances or grants tenable at any school, university, college of education or other place of learning approved by the Board of Trustees;
- ii) in providing financial assistance, outfits, clothing, tools, instruments or books to help beneficiaries on leaving school, university or other educational establishment to prepare for, or to assist their entry into, a profession, trade or calling;
- iii) in awarding scholarships, or maintenance allowances to assist beneficiaries to travel, whether in this country or abroad, in order to further their education;
- iv) in providing financial assistance to enable beneficiaries to study music or other arts; and
- v) in otherwise promoting the education (including social and physical training) of beneficiaries.

Structure, Governance and Management

The Board of Trustees consists of up to a maximum of fifteen members, who have been elected for a period of four years and are eligible for re-election for two further periods of four years. After that they may only be re-elected after an absence of one year, unless all the other Trustees unanimously agree otherwise.

The Board normally meets three times a year as well as at the Annual Meeting. The main work of the Foundation is conducted by two committees. The Grants Committee, which is chaired by Stephen Wilson, meets around five times a year and is responsible for the assessment of all new applications and the annual review of awards when the amount of each grant for the following year is agreed. The Finance Committee, which is chaired by James Dye, meets as necessary during the year and is responsible for setting expenditure guidelines, managing the relationship with the auditors and investment managers and making recommendations to the Board on such matters as risk management and the appointment of auditors and investment managers.

New Trustees are identified for the contribution they can make to the Foundation's affairs - in particular, we need a range of skills and experience including knowledge and experience of commercial travelling, education, special educational needs, finance and governance for registered charities.

Each Trustee is interviewed before recommendation for election to the Board. All new Trustees participate in an induction programme in order that they may understand both how the Foundation works and also the commitment required of them.

All Trustees are regularly informed of developments in and publications on best practice and regulations for charities.

Several changes to the Board have occurred since the last annual report:

Annette Spencer MA MBA Chart.PR FCIPR, who had joined the Board in 2011, resigned on 13 July 2018. Annette had been elected Deputy Chairman in 2014 and her contributions, particularly to the investment discussions as a member of the Finance Committee, have been much appreciated.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

David Pallister BA, who had been a member of the Finance Committee, resigned on 19 July 2019.

Anne Gilding, who had been a member of the Finance Committee since 2016, resigned on 20 September 2018.

Christopher Lane LLB, who had joined the Board in 2007 and who had served on both the Finance Committee and Grants Committee during his time as a Trustee, resigned on 20 September 2018. Throughout his period of service Chris had provided professional legal guidance which, in particular, had led to the Foundation including step-children as beneficiaries for the first time.

Graham Paterson BSc CEng FIET FRAeS, who had joined the Board in 2011, resigned on 6 November 2018. Graham became Chairman of our Finance Committee in 2015 and, with the benefit of his experience in other charities, he provided much valued guidance on matters of governance in order that the Foundation complied with the Charity Governance Code for smaller charities.

For all of our Trustees, who are also in employment, the Board has always been conscious that as a Trustee they are volunteers and that, therefore, their employment must have priority over their voluntary work as a Trustee. We are very grateful for the contributions made by our former Trustees and we wish them every success and good health for the future.

New Trustees – we have been delighted to welcome two new Trustees during the year:

James Ridgway BSc ACA, who was appointed on 5 February 2019, is a former beneficiary who is now a Chartered Accountant with one of the major accountancy firms. His knowledge and experience will add strength of our Finance Committee.

Brian Brockmann-Smith, who is the father of two former beneficiaries, was appointed on 14 May 2019. After many years as a sales executive and, after having seen how the Foundation has functioned and provided support for his two children while in education, Brian, who has also been a parent governor, has been warmly welcomed to our Board.

Obituaries – the Board of Trustees reports with deep regret that **Victor Bowen-West** passed away on 22 July 2018. Victor, who had been Head Boy at our former Schools, joined the Board in 1983 as a member of the Grants Committee of which he became Chairman in 2005 until his retirement in 2008 after 25 years of service as a Trustee. The Foundation benefited not only from his experience of attending the Schools in Hatch End, Pinner, but also from his career in teaching which included being Headmaster of a large comprehensive school in London. Victor was, in particular, a keen supporter of those children who had lost a mother or father and who, if the Schools had not closed, would have been eligible to go to "Pinner".

The Trustees also regretfully have to report that our **Chairman, Jill Grant**, passed away on 19 February 2019. Jill had attended The Royal Commercial Travellers' Schools in Pinner, from the age of 5 (boarding from that age was not unusual in those days, but she was still a long way from her home in Aberdeen) until she left as Head Girl. After leaving Jill was pleased to be awarded a Leverhulme Scholarship during her teacher training. Jill became a Trustee of our Foundation in 2007. She joined the Grants Committee, became its Chairman in 2010 and was subsequently elected Chairman of the Foundation in 2012. Jill's knowledge and experience from her career as a teacher, both in the UK and abroad, have been of immense value to the Foundation. Her understanding of a child's situation and needs has proved of real benefit to many of the children we have supported during the last twelve years. Although the children themselves would not know, we, as Trustees, know that Jill's leadership has, without a doubt, made a real difference to the lives of many of the children we support. Jill is sadly missed by us all.

New Chairman - the Board is pleased to record that **Duncan Cashmore** has been elected as our new Chairman. Duncan was appointed as a Trustee in 2012 and has served mainly on our Grants Committee as well as on the Finance Committee. He is the father of three former beneficiaries and during his career he has experienced many years as a sales representative and as an agent "on the road".

Governance – the Trustees are in no doubt that good governance is fundamental to the success of the Foundation and they maintain an ethos of continuous improvement. Following the publication in 2017 of the Charity Commission New Good Governance Code, the Board has reviewed our procedures against the principles set out in the Code. Where applicable, amendments and improvements have been implemented in order to comply with the Code's recommendations. The Board will continue to follow the principles and recommended good practice as the Code develops and matures.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

Public Benefit

Our constitution and objects, as detailed on page 3, records that our Foundation has been established in order to assist with the education of the children of commercial travellers where there is a measure of need. The aim of the Foundation is the promotion of education for a beneficiary class, and people in poverty are specifically included within our eligibility criteria. The Trustees, having regard to the public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purpose and activities of the charity satisfy the requirements of the public benefit test set out in Section 4 of the same Act, as demonstrated in the following paragraphs.

Activities, Achievements and Performance

The Foundation is managed by the Secretary, supported by one assistant. They organise the day to day running of the office and spend much of their time in contact with and in visiting the grant applicants, beneficiaries and their families. Through a home visit the accuracy of an application can be verified and the extent of the hardship experienced can be assessed. It is not unusual to find that applicants, in their written requests, have not felt able to reveal the full extent of their difficulties, while in other cases the hardship may not be as severe as implied in the application. Pastoral care is an integral part of the work of the Foundation, but it is through our grants that we help to alleviate the financial hardships encountered by our beneficiaries.

The Foundation's ongoing aims and objects are described on page 3.

Potential beneficiaries find us through schools, other charities, the Educational Trusts' Forum, the internet and The Salespeople's Charity. Our aim, as far as is possible within the limits of our resources, is to assist all applicants who meet our eligibility criteria, namely that a beneficiary must be the son or daughter of a commercial traveller where there is also an element of hardship in the family. The grants which have been agreed are listed under several headings in the table below. This financial help is supplemented by home visits made by the Secretary and his assistant Jane Crawford.

Grants Awarded

In the twelve months to 31 March 2019 the total amount payable was £454,912 compared with £415,150 in the previous financial year.

The number of children helped and the grants awarded in each of the past four years is given below.

2018-2019	150	£454,912
2017-2018	148	£415,150
2016-2017	144	£414,261
2015-2016	158	£425,445

During the year, 150 children from 85 families (last year 148 children from 82 families) were assisted by the Foundation. The table below shows the purposes for which the grants were made, the number who benefited and the respective expenditure. Some beneficiaries received grants in more than one category.

Purpose	Number of Grants		Expenditure	
	2019	2018	£ 2019	£ 2018
Assistance towards				
• Children at day and boarding schools	95	95	274,619	253,246
• Students at universities and colleges of higher and further education	55	58	112,050	106,900
• special educational needs, dance, drama, travel and outfitting grants	33	33	68,243	55,004
TOTAL	183	186	454,912	415,150

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

The increased expenditure on grants awarded during the year of £39,762 reflects in part the increased number of applications which have been received and approved during the last fifteen months. In addition, a number of new grants have been awarded to assist towards the cost of nursery education. For many years we have awarded grants towards boarding costs, whether full, weekly or flexi-boarding. Especially when a parent is employed "on the road" and staying away from home depending on their territory, boarding in one form or another may be a necessity. Similarly, contributions towards the cost of nursery education have also provided a parent (often a single parent) with the opportunity to have a longer working day.

We have also been pleased to receive several new introductions through The Salespeople's Charity, formerly known as The Commercial Travellers' Benevolent Institution (CTBI). When our Schools were open the commercial travelling community keenly supported both the then CTBI and our Schools, and we have functioned side by side since we were each established many years ago.

As detailed in the Financial Review we have been very pleased to receive a new, increased, grant from The Leverhulme Charities Trust, and their Trustees are particularly happy to see the continuation of links and co-operation between The Salespeople's Charity and ourselves. We may have different age groups which we support, but we have a common background. Through the development of a closer working relationship our increased liaison should provide a more comprehensive range of support for our future potential beneficiaries.

The increased amount of grants payable also reflects the current policy of the Board of Trustees, that support for eligible applicants should not be withheld for purely budgetary reasons, merely to retain funds to be used for a similar purpose at a later date, in order that no eligible child in real need should be denied the assistance required.

All of our awards are usually only agreed for one year at a time and are reviewed on an annual basis, in the light of the individual circumstances of each family.

Future plans - We aim to support our children and families, as detailed above, in a similar way for the foreseeable future.

Range of grants awarded - There is in reality a wide variation in the amount of the grants made as all awards are considered on an individual basis. Many of the grants relate to children who attend state schools, for whom age-related grants may be awarded, starting at £600 per annum for children at primary school, £750 per annum at secondary school and £900 per annum when in the sixth form. Where appropriate, contributions are made towards independent school fees, for which grants have ranged from £458 to £4,380 per term. Our basic grant for students at university or college has been £600 per term during the 2018-2019 academic year, although higher amounts have been agreed for some students after reviewing their individual circumstances.

For most of our families Pinner is the only educational trust directly helping them, but especially in view of the annual rise in the level of school fees, we have appreciated the co-operation and liaison with fellow members of the **Educational Trusts' Forum (ETF)**. Through this informal association of educational trusts, arrangements can be made to share the cost of school fees between the parents, the trusts and the schools involved. Each trust will have been established for a specific purpose with its own eligibility criteria, but when there is common ground with another trust, or sometimes with several trusts, the combined contributions through the **ETF** can be very effective. We are unfortunately aware that some trusts have changed their criteria, which has meant that the potential number of trusts able to contribute in support of our children has reduced. Our liaison with schools and other trusts, however, still helps to resolve the difficulties faced by the families and children concerned.

As all of our grants are for educational purposes we can be helping children from the beginning of their education until the completion of their full-time professional studies. Applications can be received at any stage of education and awards are usually agreed for one year at a time, as the family circumstances plus the student's progress are carefully re-assessed each year, when subsequent grants can be increased, reduced or may no longer be required. Some families may only require support for a relatively short period of time, after redundancy or when a student is already at university. For other families, whose circumstances are unlikely to improve, including those with young children who have lost a mother or father, support could be required for a lengthy period of time.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

When the Schools at Pinner were open nearly all the pupils had lost either their mother or father. Today the hardships which our children face can also include a parent's redundancy, sudden drop in earnings, special educational needs or a lost opportunity to develop a talent when there is a need for specialist tuition for ballet, drama, music and other arts. Nevertheless, even today, over a third of our beneficiaries have had to come to terms with the death or long-term illness of a parent.

Achievements of our beneficiaries - As we are non-selective in an academic sense, and several of our children have special educational needs, there is a wide range of abilities among our beneficiaries. In spite of their health or family circumstances the achievements of many of our beneficiaries have been impressive.

We have seen a very good spread of GCSE results this year, including one boy who achieved 10 GCSEs, all with the equivalent of A* and A grades, and another who has dyslexia who passed 8 GCSEs including 2 A* and 2 A grades.

At A level, one student was awarded A*AAA for his four A levels, while another was awarded A*A*A.

This year we have been delighted to see excellent degree results, including one student who was awarded First Class Honours in Psychology with 90% for her Dissertation on "The Lives, Needs, Challenges and Aspirations of Young People with Cystic Fibrosis", while another was awarded her MBChB degree in Medicine and Surgery.

It has also been pleasing to see that most of our graduates have found employment on the completion of their courses.

Students - We are aware that in many cases the amount of a government student loan does not even cover the cost of accommodation. In order to be eligible for an award our beneficiaries have already suffered some adversity and being conscious that the high level of student debt is an extra burden our student grants are considered on an individual basis.

This year we have supported students at universities and colleges throughout the UK including Bristol, Manchester, Swansea, Leeds, Warwick, Exeter, UCL, Cambridge, The Royal Veterinary College, Tring Park School for the Performing Arts, and the British College of Osteopathic Medicine. The degrees and diplomas have also covered a wide range of subjects including Politics and International Studies, Architectural Engineering, Economics, Forensic Psychology, Sport and Exercise Science, Physiotherapy, Physics with Astrophysics and Cosmology and combined French and Russian.

Comment on grants and achievements

We are delighted by what our beneficiaries have achieved and feel that our support has helped them to deal with their hardships and difficulties and to achieve their own individual potential.

The financial support through our grants, combined with the pastoral care of our home visits and contact with families, has helped to alleviate some of the hardships experienced by our beneficiaries and their families and has in many cases made a real difference to their lives. Nearly all of our students succeed in gaining employment on the completion of their courses and we believe that our financial and pastoral support has been effective and supportive in helping them.

Financial Review

The Foundation is a retail investor. The Foundation's investment fund is managed by Cazenove Capital Management Ltd and invested mainly in Cazenove's own managed Common Investment Funds for Charities.

The investment fund is allocated to asset classes and Cazenove manage these investments, in order to achieve the optimum total return in keeping with the risk averse nature of the Foundation, within an agreed minimum and maximum range for each asset class.

A bespoke benchmark has been agreed with Cazenove. The actual performance of each asset class, after Cazenove's management fees, is measured against the agreed mid-point of the range using an appropriate recognised index.

The net gain on our investment funds was £46,539 this year compared with a net loss of £72,499 in the previous year.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

Investment income totalled £191,150 compared with £199,675 the previous year.

We made commitments for £454,912 of grants payable to our beneficiaries this year, which is £39,762 higher than the previous year, as detailed above under Grants Awarded.

The excess of incoming resources over resources expended in the financial year amounted to £188,172 compared with net outgoing resources of £318,726 in the previous year.

During the year we received £180,000 from The Leverhulme Trade Charities Trust representing the third and final tranche of a three-year grant agreed in 2016. The full grant of £540,000 was included as income receivable in the financial year ended March 2017. In addition, and following a change of timing for applications to The Leverhulme Trade Charities Trust, a new increased grant of £600,000 over three years, payable at £200,000 a year, was approved in March 2019. As a consequence, the full £600,000 is included as income receivable and is also recorded under debtors at the year end. The first tranche of £100,000 of the new grant was received in April 2019 and the second £100,000 for the year should be received in September 2019.

The income for the previous year included a three-year grant amounting to £540,000 from The Leverhulme Trade Charities Trust. The second tranche of this grant amounting to £180,000 was received in the current financial year. We continue to be indebted to the Leverhulme Trustees for their generosity over many years, which has enabled us to maintain support for so many more children and their families than would otherwise have been the case.

Unrestricted funds increased by £234,711 to £5,278,319 at the end of the year.

Although we have continued to spend more than our income received since 1991-1992, this followed many earlier years of income surpluses and cumulative capital gains. As a result of continuing accumulated net capital gains, we have been able to maintain the real value of the Foundation's assets, thereby preserving our ability to continue supporting those children who need us now as well as being able to meet expected needs in the future.

Reserves policy

The Foundation's policy on reserves is dictated by our decision to respond to all the eligible children who urgently need our help now as well as being able to meet the expected needs in the future. We have so far been able to help all those who apply to us and who merit and qualify for assistance. We may however need to change this reserves policy if it impacts on our long-term ability to maintain the real value of our investments. We are also conscious that, although nothing has been set aside as a specific reserve for future commitments or expenditure, all of our funds are unrestricted and therefore the Trustees have the flexibility to use the funds at anytime at their discretion.

Pay policy for senior staff

The remuneration of the Foundation's two staff is set by the Board of Trustees. Delivery of the Foundation's charitable vision and purpose is primarily dependent upon our staff and their remuneration is set with the objective of ensuring that they are, in a fair and responsible manner, rewarded for their individual contributions to the Foundation's success. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other charities to ensure that the Foundation remains sensitive to the broader issues such as pay and employment conditions elsewhere.

Risk

The Trustees continue to review the activities of the Foundation and to identify the major risks to which it is exposed.

It is considered that the main short-term operational risk to the Foundation is the death or incapacity of the Secretary and/or the Assistant Secretary. They are our two and only staff, who travel together both to and from the office and to visit beneficiaries and potential beneficiaries. To meet that situation a continuity plan has been established in order that the Trustees can, in the short term, enable the Foundation to continue to function.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

Our main medium-term strategic risk would be the loss of the grant currently received from The Leverhulme Trade Charities Trust, which for some time has approved a succession of three-yearly grants in support of our activities. These grants have enabled us to maintain support for so many more children than would otherwise have been the case. If at some stage a new grant was not approved by The Leverhulme Trade Charities Trust, our Trustees would need to look for alternative ways of raising more funds.

The Trustees have also established procedures to mitigate the other risks which the Foundation might encounter. While our risk register, which includes an assessment of the probability and impact of the risks, is reviewed formally on an annual basis, our procedures and risks are monitored regularly throughout the year.

Legacies – no legacies have been received during the year.

Connected Charities

There are no connected charities.

Trustees

The Trustees, who are directors for the purpose of company law, who served as trustees during the period and as at the date this report was approved, are as shown on page 2. Additionally, Jill Grant, Anne Gilding, Christopher Lane, David Pallister, Graham Paterson and Annette Spencer held office during the period under review as detailed on pages 3 and 4.

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare the 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). 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

So far as each Trustee is aware, there is no relevant audit information of which the company's auditors are unaware.

Each Trustee has taken all reasonable steps that he ought to have taken as a Trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Special Provisions

This report is prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

Accounts

The accounts set out on pages 15 to 23 have been drawn up in accordance with the relevant provisions of the Companies Act 2006, and with the 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).

Appreciation

The Board of Trustees acknowledges with gratitude the efforts of all who have continued the work of the Foundation during the year and in particular the members of the Grants and Finance Committees and the office staff. We are very grateful to David and Jane Crawford for their dedication, commitment and concern for the beneficiaries and for being part of the vital continuity of knowledge which is important to the Foundation. Their pastoral care and home visits are much appreciated by the Trustees and the families concerned.

Old Mercurians' Reunion – 29 September 2018

The Old Mercurians' Reunion was held on Saturday 29 September 2018 and, after a service in St Anselm's Church, the Reunion Dinner took place in the Elliott Hall (now part of the Harrow Arts Centre). The Foundation had again been invited to join the Old Mercurians, and a number of Trustees, guests, plus past and present beneficiaries participated in a most enjoyable evening.

Memorial Service – Centennial Tribute - 20 October 2018 – The Revd Theodore Bayley Hardy VC DSO MC BA

On Saturday 20 October 2018 a Service of Thanksgiving to commemorate the life of the Reverend Theodore Hardy was held at St Anselm's Parish Church, Hatch End, led by the Revd David Green, Vicar of St Anselm's with contributions from the Bishop of Fulham, the Mayor of Harrow, HM The Queen's Representative Deputy Lieutenant for the London Borough of Harrow. Further words on Padre Hardy and the Collect for the Royal Army Chaplains' Department were said by the Assistant Chaplain General Revd Canon Jonathan Gough.

Theodore Bayley Hardy had attended The Commercial Travellers' Schools from 1873 to 1878. After he had volunteered for the front, including the 3rd Ypres campaign, the Battle of Passchendaele, he became the most highly decorated Chaplain in the 1914-1918 world war. Wounded on 10 October 1918, he passed away on 18 October 1918, just two days before his 55th birthday – 20 October 1918 - and only three weeks before Armistice Day.

The Secretary and Assistant Secretary represented the Foundation at the service, and a wreath was laid by Michael and Molly Sprange on behalf of *The Old Mercurians*.

Friends of The Royal Pinner School Foundation

The Friends of The Royal Pinner School Foundation (Friends) has been established in order to provide an active link between the Foundation and all its supporters, former beneficiaries and their parents, plus the annual subscribers and life members of the Foundation while it was an unincorporated association. The Friends is an integral part of the Foundation which enables the Foundation, as a registered charity, to gain the benefit of Gift Aid on subscriptions and donations from the Friends. Through providing a link between the Foundation and its supporters a network has been developed between the former beneficiaries and other Friends of the Foundation. This has also established a source of potential new Trustees for the future.

An informal gathering of Friends was held in central London during the evening of 19 March 2019. The event was enjoyed by all present, and similar events will be held in the future, including after the Annual Meeting, as detailed below, to which all Friends are invited.

THE ROYAL PINNER SCHOOL FOUNDATION

TRUSTEES' ANNUAL REPORT (continued)

Year ended 31 March 2019

Annual Meeting

For a number of years some of our current students and their parents have been invited to attend our Annual Meeting. After the brief formalities of the meeting itself, the Trustees have enjoyed the opportunity to meet the guests and Friends who in turn have welcomed the chance to meet and talk to the Trustees and fellow guests. The Annual Meeting will be held this year on 16 July 2019.

By order of the Trustees



Duncan Cashmore
Trustee

14 MAY 2019



James Dye
Trustee

14 MAY 2019

THE ROYAL PINNER SCHOOL FOUNDATION

AUDITORS' REPORT

Year ended 31 March 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL PINNER SCHOOL FOUNDATION

Opinion

We have audited the financial statements of The Royal Pinner School Foundation (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, balance sheet, statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE ROYAL PINNER SCHOOL FOUNDATION

AUDITORS' REPORT (continued)

Year ended 31 March 2019

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report, which includes the directors' report prepared for purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

THE ROYAL PINNER SCHOOL FOUNDATION

AUDITORS' REPORT (continued)

Year ended 31 March 2019

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

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Wakefield (Senior statutory auditor)
For and on behalf of Dixon Wilson, Statutory Auditor
22 Chancery Lane
London
WC2A 1LS

15 MAY 2019

THE ROYAL PINNER SCHOOL FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an income and expenditure account)

Year ended 31 March 2019

	Note	2019 Unrestricted funds £	2018 Unrestricted funds £
Income:			
Donations and legacies	3	602,245	14,197
Investment income	4	191,150	199,675
Total income		<u>793,395</u>	<u>213,872</u>
Expenditure:			
Raising funds - Investment management costs		23,753	9,605
Expenditure on charitable activities	5	581,470	522,993
Total expenditure		<u>605,223</u>	<u>532,598</u>
Net gains/(losses) on investments	9	46,539	(72,499)
Net income/(expenditure)		<u>234,711</u>	<u>(391,225)</u>
Net movement in funds		<u>234,711</u>	<u>(391,225)</u>
Total funds brought forward		<u>5,043,608</u>	<u>5,434,833</u>
Total funds carried forward		<u>5,278,319</u>	<u>5,043,608</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

BALANCE SHEET

At 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Investments	9	4,778,334	4,941,816
Current assets			
Debtors	10	600,690	180,673
Cash at bank and in hand		52,238	67,794
		652,928	248,467
Creditors: amounts falling due within one year	11	(152,943)	(146,675)
Net current assets		499,985	101,792
Net assets		5,278,319	5,043,608
The Funds of the Charity			
Revaluation of funds		684,526	591,038
General funds		4,593,793	4,452,570
Total charity funds	14	5,278,319	5,043,608

These accounts constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

The financial statements on pages 15 to 23 were approved by the Trustees on 14 MAY 2019.



DUNCAN CASHMORE

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Members of the Board of Trustees



JAMES DYE

THE ROYAL PINNER SCHOOL FOUNDATION

STATEMENT OF CASH FLOWS

Year ended 31 March 2019

	Note	2019 £	2018 £
Net cash used in operating activities	15	<u>(416,710)</u>	<u>(335,626)</u>
Cash flows from investing activities:			
Dividends and interest from investments		191,133	199,790
Proceeds from sale of investments and short term deposits		691,405	582,738
Purchase of investments		<u>(481,384)</u>	<u>(454,049)</u>
Net cash provided by investing activities		<u>401,154</u>	<u>328,479</u>
Change in cash and cash equivalents in the reporting period		(15,556)	(7,147)
Cash and cash equivalents at the beginning of the reporting period		<u>67,794</u>	<u>74,941</u>
Cash and cash equivalents at the end of the reporting period		<u>52,238</u>	<u>67,794</u>

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2019

I. Accounting policies

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

(a) Basis of preparation

The financial statements have been prepared in accordance with 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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Royal Pinner School Foundation 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 note.

The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

(b) Preparation of the accounts on a going concern basis and significant areas of uncertainty

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment returns and the performance of investment markets. Further details may be found in the financial review section of the Trustees' annual report.

(c) Funds structure

All funds are unrestricted and are available to spend on activities that further any of the purposes of the charity. The revaluation fund relates to movements in the market value of investments.

(d) Income recognition

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

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(e) Expenditure recognition

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

All expenditure is accounted for on an accruals basis.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. Unconditional grant offers are accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

(continued)

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2019

1. Accounting policies (continued)

(f) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(g) Allocation of support and governance costs

Governance and support costs include those items of expenditure that relate exclusively to those categories, as well as an allocation of expenditure involving more than one category, based on an assessment of time and effort devoted by staff to the different activities. In accordance with this approach, overhead costs attributable to more than one category are allocated 85% to support costs and 15% to governance costs.

(h) Costs of raising funds

The costs of generating funds consist of investment management costs.

(i) Charitable activities

Costs of charitable activities include grants made, governance costs and support costs.

(j) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire complex financial instruments.

(k) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Realised gains and losses are taken to the unrestricted fund. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Unrealised gains and losses are taken to the revaluation fund. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(l) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities in equal amounts over the periods of the leases.

2. Legal status

The Trust is a company limited by guarantee, incorporated in England and Wales, and has no share capital. The Trust's registered address is 110 Old Brompton Road, South Kensington, London, SW7 3RB.

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2019

3. Donations and legacies	2019	2018
	£	£
Subscriptions and donations	2,245	4,332
Legacies	-	9,865
Grants received	600,000	-
	<u>602,245</u>	<u>14,197</u>

4. Investment income	2019	2018
	£	£
Income from listed investments	191,033	199,675
Interest on cash deposits	117	-
	<u>191,150</u>	<u>199,675</u>

5. Analysis of expenditure on charitable activities	2019	2018
	£	£
Grants payable	454,912	415,150
Support costs (note 6)	98,229	85,540
Governance costs (note 6)	28,329	22,303
	<u>581,470</u>	<u>522,993</u>

An analysis of grants payable is given in the Trustees' Annual Report. All expenditure on charitable activities is related to the provision of educational assistance.

6. Analysis of governance and support costs

	Governance function	General support	2019 Total	2018 Total	Basis of apportionment
	£	£	£	£	
Staff costs	12,834	72,721	85,555	73,270	staff time
General expenses	2,395	13,570	15,965	14,842	staff time
Printing, stationery and postage	875	4,958	5,833	4,534	staff time
Rent, rates and insurance	1,212	6,868	8,080	7,868	staff time
Repairs	19	112	131	120	staff time
Legal fees	3,360	-	3,360	-	Governance
Trustees' expenses	1,214	-	1,214	903	Governance
Auditors' remuneration	6,420	-	6,420	6,306	Governance
	<u>28,329</u>	<u>98,229</u>	<u>126,558</u>	<u>107,843</u>	

Support costs are allocated between general support costs and Governance costs on the basis disclosed above.

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2019

7. Net income/(expenditure) for the year	2019 £	2018 £
This is stated after charging:		
Operating leases – land and buildings	4,750	4,750
Auditors remuneration (excluding VAT)	5,350	5,756
	<u> </u>	<u> </u>

8. Analysis of staff costs, trustee remuneration and expenses and the cost of key management personnel	2019 £	2018 £
Salaries and wages	73,409	62,966
Employers national insurance	4,805	3,962
Pension contributions	7,342	6,342
	<u>85,556</u>	<u>73,270</u>

The average number of employees for the year ended 31 March 2019 was 2 (2018 - 2). All employees were involved in managing the educational grant programme.

No employee had employee benefits greater than £60,000 (2018 - £60,000).

The Foundation contributes 10% of eligible employees' salaries to personal pension schemes.

The Foundation considers its key management personnel comprise the trustees, the secretary and assistant secretary. The total employment benefits including employer pension contributions of the key management personnel were £80,391 (2018 - £69,308).

The Trustees receive no remuneration for their services (2018 - nil). Directly incurred expenses are reimbursed if claimed. In the year to 31 March 2019 trustees' expenses totalled £1,216 (2018 - £903). Five Trustees (2018 - five) received reimbursement for expenses incurred in travelling to board meetings.

9. Fixed asset investments	2019 £	2018 £
Market value		
At 1 April 2018	4,941,816	5,143,003
Additions at cost	481,384	454,049
Disposals proceeds	(670,514)	(436,212)
Net gain/(loss) on investments	46,539	(72,499)
Movement in short term deposits in year	(20,891)	(146,525)
At 31 March 2019	<u>4,778,334</u>	<u>4,941,816</u>
The portfolio is structured as follows:		
UK equities	1,545,972	1,766,304
Overseas equities	1,235,957	1,204,201
UK bond funds	450,733	450,498
Multi asset funds	402,368	501,586
Property funds	779,104	761,558
Other funds	364,200	236,777
Short term deposits	-	20,892
	<u>4,778,334</u>	<u>4,941,816</u>

(continued)

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2019

9. Fixed asset investments (continued)

The historic cost of investments excluding cash deposits is £4,374,599 (2018 - £4,196,684).

All investments are held in the name of Schroder & Co Limited.

All investments are carried at fair value, based on quoted market bid prices.

The main risk to the Foundation from financial instruments lies in the uncertainty of investment markets and volatility in yield. The Trust relies on dividend yields in part to finance its work. Liquidity risk is considered to be low as all assets are traded in markets with good liquidity. The Trust manages these investment risks by retaining expert advisors and aims for a high degree of diversification within investment classes.

10. Debtors	2019 £	2018 £
Grant receivable	600,000	180,000
Accrued income	690	673
	<u>600,690</u>	<u>180,673</u>

11. Creditors	2019 £	2018 £
Grants payable	146,144	140,375
Accrued expenses	6,799	6,300
	<u>152,943</u>	<u>146,675</u>

12. Commitments

The Foundation currently leases the office premises. The future amount of minimum lease payments is as follows:

	2019 £	2018 £
Within one year	4,750	4,750
In two to five years	19,000	19,000
In over five years	19,000	23,750
	<u>42,750</u>	<u>47,500</u>

13. Taxation

As a charity, The Royal Pinner School Foundation is exempt from tax on income and gains to the extent these are applied to its charitable objects.

THE ROYAL PINNER SCHOOL FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2018

14. Funds	General fund £	Revaluation fund £	Total £
Balance at 1 April 2019	4,452,570	591,038	5,043,608
Net expenditure resources for the year	188,172	-	188,172
Realised gains on investment assets	5,667	-	5,667
Unrealised gains on investment assets	-	40,872	40,872
Fund movement on realised gains and losses	(52,616)	52,616	-
Balance at 31 March 2019	<u>4,593,793</u>	<u>684,526</u>	<u>5,278,319</u>

15. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the reporting period	234,711	(391,225)
Adjustments for:		
(Gains)/losses on investments	(46,539)	72,499
Dividends and interest from investments	(191,150)	(199,675)
(Increase)/decrease in debtors	(420,000)	180,000
Increase in creditors	6,268	2,775
Net cash used in operating activities	<u>(416,710)</u>	<u>(335,626)</u>

16. Financial assets and financial liabilities

The following are financial assets and liabilities that qualify as basic financial instruments and are initially recognised at transaction value and subsequently measured at their amortised cost.

Financial assets

Cash	52,238	67,794
Grant receivable	600,000	180,000
Accrued income	690	673
	<u>652,928</u>	<u>248,467</u>

Financial liabilities

Grants payable	146,144	140,375
Accrued expenses	6,799	6,300
	<u>152,943</u>	<u>146,675</u>