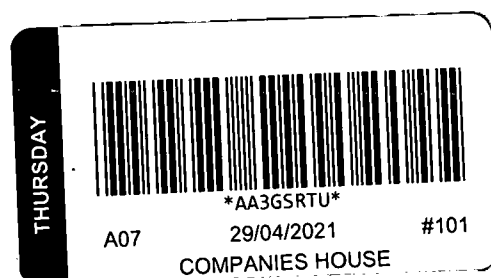


Company limited by guarantee, company number 00208578
Registered charity number 526714

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

ANNUAL REPORT AND UNAUDITED ACCOUNTS
for the year ended 31 July 2020



LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

ANNUAL REPORT AND ACCOUNTS for the year ended 31 July 2020

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LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

LEGAL AND ADMINISTRATIVE DETAILS

Trustees David Blythe
 Chantelle Day
 Jeffrey Dunn
 Mark Fallon (appointed 22 January 2020)
 Jeremy Grice (appointed 30 September 2019)
 Jennifer Holder (appointed 23 September 2020)
 Robbie Johnston MBE
 Leila Kellgren-Parker (appointed 30 September 2019)
 Roger Morris OBE DL
 Barbara Murray
 John Phillips
 John Prince

Company secretary Roger Morris

Registered office 151 Dale Street
 Liverpool
 L2 2AH

Bankers Lloyds Bank plc
 88 – 94 Church Street
 Liverpool
 L1 3HD

Independent Mr Peter Taaffe FCA CTA DChA
examiner BWM
 Chartered Accountants
 Castle Chambers
 Castle Street
 Liverpool
 L2 9SH

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their report and the accounts of Liverpool Council of Education (Incorporated) for the year to 31 July 2020:

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Structure, governance and management

- ❖ Liverpool Council of Education (Incorporated) is a company limited by guarantee, registered number 00208578. The company is also a registered charity, number 526714.
- ❖ Liverpool Council of Education (Incorporated) was incorporated on 23 September 1925 to act as trustee of various charitable funds and promote and encourage education, in particular by assisting Liverpool schools and their pupils. The company's memorandum and articles of association was updated by special resolution dated 2 July 2015. The company has charitable activities of its own, conducts other charitable activities through the management of restricted funds and also acts as the corporate trustee of an unincorporated charity, Liverpool Educational Foundation.
- ❖ The trustees are the directors of the company for the purposes of the Companies Acts and also trustees for purposes of charity law. Trustees are appointed in accordance with the company's articles of association which provide for some nominations to be made by Liverpool City Council and for other new trustees to be appointed by the current trustees. The present trustees are listed on page 3. The current trustees regularly seek new colleagues with up-to-date knowledge of educational priorities in Liverpool. When appointed, new trustees are provided with induction and training by means of discussion with fellow trustees and with advisers. Each trustee undertakes to contribute to the assets of the company a sum not exceeding £1 in the event of winding up.
- ❖ Liverpool Council of Education (Incorporated) has no employees. The trustees gratefully acknowledge that much of their charitable activities, and especially the efficient processing of grants, would not be possible without the assistance of various staff of Liverpool City Council.

Objectives and activities

- ❖ The company is empowered to carry out a wide range of charitable activities for the benefit of the people of Liverpool.
- ❖ The principal activity in the year was the distribution of grants to benefit pupils of Liverpool secondary and special schools. As in recent years, we offered grants primarily, although not exclusively, to assist with group activities.
- ❖ The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Achievements and performance

Because of the impact of the Covid-19 pandemic on activity in schools, in 2019/20 we received fewer applications for grants than normal. However, we are pleased that we were still able to make grants totalling £6,050 (2018/19: £14,400) within the Liverpool schools' sector. Beneficiaries included pupils at five secondary and special schools. These grants were made from the income of Liverpool Educational Foundation, the trust fund of which Liverpool Council of Education is corporate trustee.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

REPORT OF THE TRUSTEES *continued* FOR THE YEAR ENDED 31 JULY 2020

- ❖ During the year, we also made grants of £150 each to four individual pupils as prizes for their achievements in specific fields: community service, public speaking, study of history or music, and study of languages. These awards were made from the funds of Liverpool Educational Foundation, the subsidiary charity of which we are corporate trustee.
- ❖ In the first part of the year, we were actively investigating a number of opportunities to work with partner agencies to make grants out of the income of the Hughes Percival Scholarship Trust following the very substantial widening of this charity's purposes in 2015. Unfortunately those opportunities were all subsequently significantly delayed because of the impact of the Covid-19 crisis but we continue to expect several to be progressed as soon as the disruption caused by the epidemic comes to an end.
- ❖ In 2019/20 we continued the detailed administrative work needed to implement fully the consolidation of our different trust funds which commenced in 2017.
- ❖ Investment performance is dealt with later in this report but another feature of our work in 2019/20 was the continuation of our review of the suitability of our investment strategy following the consolidation of the trust funds. The Covid-19 crisis has had an impact on the patterns of investment income and our review has been prolonged in consequence.

Financial results

- ❖ The financial results for the year are detailed in the accounts on pages 8 to 20. The trustees are of the opinion that the overall financial position of the Company and its associated charities remains satisfactory.
- ❖ Liverpool Council of Education holds no reserves of its own except for the unrestricted funds which consist of its accumulated surplus. The trustees' policy is to use these funds appropriately to support the grant-making activities of the charity and the quantum of the funds is considered to be adequate for this purpose at the present time.

Investment policy and performance

- ❖ With effect from 1 August 2004 the capital of our connected charities and a major part of the unrestricted funds of Liverpool Council of Education (Incorporated) are managed as one investment pool.
- ❖ The policy of the trustees, in line with the powers and duties contained in the governing instruments and relevant statutes, is to seek expert advice in order to invest the investment pool in a diversified range of investments which overall are intended to balance the two requirements of achieving a satisfactory current income and longer-term capital growth. Investments are monitored regularly and trustees hold a review meeting with the investment advisers at least once per annum. In 2019/20 our portfolio performance was in line with its benchmarks and peer groups although, like them, we suffered volatility and a diminution in market value because of the impact of Covid-19.

Plans for future periods

- ❖ The trustees continue to review their policies regularly with the intention of optimising the contribution of Liverpool Council of Education (Incorporated) to education in Liverpool. In recent years our governing instruments have been modernised and trustees now hope to make substantial progress during 2020/21 on achieving a wider spread of applicants for our grants, both within the schools sector and utilising our Hughes Percival funds, and on reviewing whether some different methods of working would better achieve our charitable purposes.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

REPORT OF THE TRUSTEES *continued* FOR THE YEAR ENDED 31 JULY 2020

Risk management

The trustees have reviewed the risks to which the charity is exposed, including potential exposure to adverse investment decisions and also the risks associated with fraudulent applications for help. Steps have been taken to manage known risks. The trustees continue to assess risk management matters at least annually.

Independent examiner

The company's articles of association require the trustees to comply with the requirements of the Companies Act 2006 and the Charities Act 2011 in regard to matters including keeping records, and audit or independent examination of accounts. Accordingly, the trustees have appointed Mr Peter Taaffe FCA CTA DChA to act as the company's Independent Examiner.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Statement of trustees' responsibilities

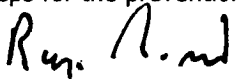
The trustees, who are also the directors for the purposes of company law, are responsible for preparing this report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing the accounts trustees are required to

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that accounts comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Roger Morris
Honorary Treasurer
on behalf of all of the trustees
24 March 2021

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

I report to the trustees on my examination of the accounts of Liverpool Council of Education (Incorporated) for the year ended 31 July 2020.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Mr Peter Taaffe FCA CTA DChA
BWM
Chartered Accountants
Castle Chambers
43 Castle Street
Liverpool L2 9SH

24 March 2021

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

Current financial year

	Note	Unrestricted funds	Restricted funds	As trustee of Liverpool Educational Foundation	Total funds	Total funds
		2020 £	2020 £	2020 £	2020 £	2019 £
INCOME FROM:						
Investments	3	5,218	1,757	10,936	17,911	21,586
Donations and grants received	4	-	-	-	-	-
Total income		5,218	1,757	10,936	17,911	21,586
EXPENDITURE ON:						
Raising funds	5	2,789	-	5,851	8,640	10,145
Charitable activities	6	1,579	1,725	6,650	9,954	26,550
Total expenditure		4,368	1,725	12,501	18,594	36,695
Net gains on investments		(11,436)	-	(23,993)	(35,429)	14,963
Net income/ (expenditure)		(10,586)	32	(25,558)	(36,112)	(146)
NET MOVEMENT IN FUNDS		(10,586)	32	(25,558)	(36,112)	(146)
RECONCILIATION OF FUNDS						
Total funds brought forward		298,779	97,961	600,950	997,690	997,836
TOTAL FUNDS CARRIED FORWARD		288,193	97,993	575,392	961,578	997,690

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

Prior financial year

	Note	Unrestricted funds	Restricted funds	As trustee of Liverpool Educational Foundation	Total funds
		2019 £	2019 £	2019 £	2019 £
INCOME FROM:					
Investments	3	6,238	2,271	13,077	21,586
Donations and grants received	4	-	-	-	-
Total income		6,238	2,271	13,077	21,586
EXPENDITURE ON:					
Raising funds	5	3,275	-	6,870	10,145
Charitable activities	6	6,550	-	20,000	26,550
Total expenditure		9,825	-	26,870	36,695
Net gains/(losses) on investments		4,830	-	10,133	14,963
Net income/ (expenditure)		1,243	2,271	(3,660)	(146)
NET MOVEMENT IN FUNDS		1,243	2,271	(3,660)	(146)
RECONCILIATION OF FUNDS					
Total funds brought forward		297,536	95,690	604,610	997,836
TOTAL FUNDS CARRIED FORWARD		298,779	97,961	600,950	997,690

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

BALANCE SHEET AS AT 31 JULY 2020

	Note	31 July 2020		31 July 2019	
		£	£	£	£
FIXED ASSETS					
Investments at market value	10		821,750		847,480
Investment (overdraft)/cash			<u>(7,227)</u>		<u>11,367</u>
Total fixed assets			814,523		858,847
CURRENT ASSETS					
Debtors	11		3		1,354
Cash at bank			<u>149,236</u>		<u>143,000</u>
Total current assets			149,239		144,354
LIABILITIES: amounts					
Falling due within one year	12		<u>(2,184)</u>		<u>(5,511)</u>
NET CURRENT ASSETS			147,055		138,843
NET ASSETS			<u>961,578</u>		<u>997,690</u>
THE FUNDS OF THE CHARITY					
Unrestricted funds	13		288,193		298,779
Restricted funds	14		97,993		97,961
Liverpool Educational Foundation	15		<u>575,392</u>		<u>600,950</u>
Total charity funds			961,578		997,690

The company is entitled to exemption from the audit requirement contained in section 477 of the Companies Act 2006 for the year ended 31 July 2020. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these records.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 24 March 2021 and are signed on the board's behalf by:

Roger Morris

Roger Morris
Trustee and Honorary Treasurer

Company registration number 00208578

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1 ACCOUNTING POLICIES

Charity information

Liverpool Council of Education is a private company limited by guarantee incorporated in England and Wales. The registered office is 151 Dale Street, Liverpool, L2 2AH.

1.1 Accounting convention

These accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and republic of Ireland (FRS 102" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In making this assessment the trustees have considered the likely impact of the Covid-19 pandemic and of other known factors. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

The nature and purpose of the funds maintained are detailed in note 13 to 15.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

1.4 Income

Income from equity investments is accounted for when received. Income from other sources is included in the Statement of Financial Activities on the basis of the amounts receivable for the year.

1.5 Expenditure

Expenditure is included in the Statement of Financial Activities on the accruals basis, based on the amounts payable for work done and grants offered in the year. Charitable activities consist of grant-making and associated support costs, if any. Independent examiner's fees and incidental management expenses are included in governance costs.

Investment management costs are allocated pro rata to the size of the share in the pool at the balance sheet date.

1.6 Fixed asset investments

Investments are included in the balance sheet at their market value at the year end date.

Realised gains and losses are calculated as the difference between disposal proceeds and purchase cost. Unrealised gains and losses are calculated as the residual movement in market value during the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its fixed tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

1.9 Financial instruments (continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Custodian trustee

The fund is disclosed separately as it is represented by listed investments classed in one single pool. The capital of the connected charity and a major part of the unrestricted funds of Liverpool Council of Education (Inc) are managed as one investment pool which was created on 1 August 2004.

1.11 Company status and taxation position

The company is limited by guarantee and has no share capital. Each member undertakes to contribute to the assets of the company a sum not exceeding £1 in the event of winding up.

As a registered charity the Company benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. The Company is not VAT registered. Expenditure is recorded in the accounts inclusive of VAT.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 INVESTMENTS

	Unrestricted funds	Restricted funds	As trustee of Liverpool Educational Foundation	Total 2020	Total 2019
	£	£	£	£	£
Income from investments	5,208	1,713	10,927	17,848	21,516
Bank deposit and money on call interest	10	44	9	63	70
	<u>5,218</u>	<u>1,757</u>	<u>10,936</u>	<u>17,911</u>	<u>21,586</u>

	Unrestricted funds	Restricted funds	As trustee of Liverpool Educational Foundation	Total 2019
	£	£	£	£
Income from investments	6,227	2,225	13,064	21,516
Bank deposit and money on call interest	11	46	13	70
	<u>6,238</u>	<u>2,271</u>	<u>13,077</u>	<u>21,586</u>

4 DONATIONS AND GRANTS RECEIVED

	Unrestricted funds	Restricted funds	As trustee of Liverpool Educational Foundation	Total 2020	Total 2019
	£	£	£	£	£
Donations and gifts	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

4 DONATIONS AND GRANTS RECEIVED (continued)

	Unrestricted funds £	Restricted funds £	As trustee of Liverpool Educational Foundation £	Total 2019 £
Donations and gifts	-	-	-	-
	-	-	-	-

5 RAISING FUNDS

	2020 Unrestricted funds £	2020 Restricted funds £	2020 As trustee of Liverpool Educational Foundation £	2020 Total £	2019 Total £	2018 Total £
Investment management fees	2,789	-	5,851	8,640	10,145	10,362
	2,789	-	5,851	8,640	10,145	10,362

	2019 Unrestricted funds £	2019 Restricted funds £	2019 As trustee of Liverpool Educational Foundation £	2019 Total £
Investment management fees	3,275	-	6,870	10,145
	3,275	-	6,870	10,145

6 CHARITABLE ACTIVITIES

	Grant Expenditure £	Grant related Support costs £	Total 2020 £	Total 2019 £
Grant funding activities (note 7)	8,375	-	8,375	25,000
Share of governance costs (note 8)	-	1,579	1,579	1,550
	8,375	1,579	9,954	26,550
Analysis by fund				
Unrestricted funds	-	1,579	1,579	6,550
Restricted funds	1,725	-	1,725	-
As trustee of connected charities	6,650	-	6,650	20,000
	8,375	1,579	9,954	26,550
<i>For the year ended 31 July 2019</i>				
Unrestricted funds	5,000	1,550		6,550
Restricted funds	-	-		-
As trustee of connected charities	20,000	-		20,000

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

6 CHARITABLE ACTIVITIES (continued)

	25,000	1,550	26,550
	Grant Expenditure £	Grant related Support costs £	Total 2019 £
Grant funding activities (note 7)	25,000	-	25,000
Share of governance costs (note 8)	-	1,550	1,550
	25,000	1,550	26,550
Analysis by fund			
Unrestricted funds	5,000	1,550	6,550
Restricted funds	-	-	-
As trustee of connected charities	20,000	-	20,000
	25,000	1,550	26,550

7 GRANTS PAYABLE

The grants payable for the year comprise the following:

	2020 £	2019 £
Unrestricted funds:		
Broadgreen International School	-	2,000
Childwall Sports & Science Academy	-	2,000
Woolton High School	-	1,000
Total of grants paid to individuals	-	-
Total grants from unrestricted funds	-	5,000
Restricted funds:		
Total of grants paid to individuals	1,725	-
Total grants from restricted funds	1,725	-
Liverpool Educational Foundation:		
Academy of St Francis Assisi	-	2,000
Bank View High School	-	1,200
Redbridge High School	-	1,000
Sandfield Park School	800	1,200
St Hilda's C of E High School	1,500	1,000
Calderstones School	1,000	-
The Belvedere Academy	750	-
Broadgreen International School	2,000	-
School Improvement Liverpool	-	3,000
Liverpool City Council	-	10,000
Total of grants paid to individuals	600	600
Total grants from connected charities	6,650	20,000
Total	8,375	25,000

All grants were made for the advancement of education. There were no chargeable support costs; routine administrative support for grant making is provided as help in kind by Liverpool City Council. The trustees received no remuneration or reimbursement of expenses from the company.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

8 GOVERNANCE COSTS

	2020 £	2019 £	Basis of allocation
Independent examiner's fee	1,566	1,537	Allocated to grant making activities
Legal and regulatory fees	13	13	Allocated to grant making activities
	<u>1,579</u>	<u>1,550</u>	
Analysed between Charitable activities	<u>1,579</u>	<u>1,550</u>	

9 FINANCIAL INSTRUMENTS

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at cost	142,012	155,319
Equity instruments measured at fair value through income and expenditure	<u>821,750</u>	<u>847,480</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>2,184</u>	<u>5,511</u>

10 FIXED ASSET INVESTMENTS

	2020 £	2019 £
Composite fund investments:		
Market value at 1 August 2019	847,480	855,030
Disposals	(60,775)	(150,671)
Additions at cost	70,474	128,155
Revaluation adjustments:		
Historic (losses)/gains on disposals	(8,777)	25,463
Other changes in market value	<u>(26,652)</u>	<u>(10,497)</u>
Market value at 31 July 2020	<u>821,750</u>	<u>847,480</u>
Historic cost at 31 July 2020	<u>641,288</u>	<u>640,369</u>

The capital of the connected charities and a major part of the unrestricted funds of Liverpool Council of Education (Inc) are managed as one investment pool which was created on 1 August 2004 and as at 31 July consisted of:

	2020 £	2019 £
Investments at market value as above	821,750	847,480
Investment cash	<u>(7,227)</u>	<u>11,367</u>
Total value of pool	<u>814,523</u>	<u>858,847</u>

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

11 DEBTORS

	2020 £	2019 £
Due within one year:		
HM Revenue & Customs	-	402
Accrued income	<u>3</u>	<u>952</u>
	<u>3</u>	<u>1,354</u>

12 LIABILITIES: Amounts falling due within one year

	2020 £	2019 £
Amounts falling due within one year:		
Accruals and deferred income	<u>2,184</u>	<u>5,511</u>

13 UNRESTRICTED FUNDS

	2020 £	2019 £
Balance at 1 August 2019	298,779	297,536
Net income/(expenditure) for year	850	(3,587)
Realised (losses)/gains on investments sold	(2,833)	8,219
Unrealised (losses)		
on investment revaluation	<u>(8,603)</u>	<u>(3,389)</u>
Balance at 31 July 2020	<u>288,193</u>	<u>298,779</u>

The unrestricted funds are the accumulated surplus of the company to be used for its charitable objects.

14 RESTRICTED FUNDS

	2020 £	2019 £
Balance at 1 August 2019	97,961	95,690
Net income for year	<u>32</u>	<u>2,271</u>
Balance at 31 July 2020	<u>97,993</u>	<u>97,961</u>

At 1. August 2019 and at 31 July 2020 restricted funds consisted solely of income transferred into the trusteeship of Liverpool Council of Education for distribution under the terms of the Hughes Percival Will Trust. All transactions during the year related to the Hughes Percival Will Trust.

LIVERPOOL COUNCIL OF EDUCATION (INCORPORATED)

NOTES TO THE FINANCIAL STATEMENTS *continued* FOR THE YEAR ENDED 31 JULY 2020

15 FUNDS OF LIVERPOOL EDUCATIONAL FOUNDATION

	2020	2019
	£	£
Balance at 1 August 2019	600,950	604,610
Net expenditure for year	(1,565)	(13,793)
Realised (losses)/gains on investments sold	(5,944)	17,243
Unrealised (losses)		
on investment revaluation	(18,049)	(7,110)
Balance at 31 July 2020	<u>575,392</u>	<u>600,950</u>

Following a consolidation which took place in the year to 31 July 2017, the sole connected and subsidiary charity in the year to 31 July 2020 was Liverpool Educational Foundation, a charity whose corporate trustee is Liverpool Council of Education and whose funds include some permanent endowment. The assets of Liverpool Educational Foundation can be analysed as follows:

	2020	2019
	£	£
Unrestricted Revenue Funds:	24,213	19,929
Permanent Endowment Funds:	389,934	411,047
Expendable Endowment Funds:	<u>161,245</u>	<u>169,974</u>
Total	<u>575,392</u>	<u>600,950</u>

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Connected charities	Total
	£	£	£	£
Fund balances at 31 July 2020 are represented by:				
Share of investment pool	262,928	-	551,595	814,523
Net current assets	<u>25,265</u>	<u>97,993</u>	<u>23,797</u>	<u>147,055</u>
Total net assets	<u>288,193</u>	<u>97,993</u>	<u>575,392</u>	<u>961,578</u>

	Unrestricted	Restricted	Connected charities	Total
	£	£	£	£
Fund balances at 31 July 2019 are represented by:				
Share of investment pool	277,236	-	581,611	858,847
Net current assets	<u>21,543</u>	<u>97,961</u>	<u>19,339</u>	<u>138,843</u>
Total net assets	<u>298,779</u>	<u>97,961</u>	<u>600,950</u>	<u>997,690</u>

17 RELATED PARTY TRANSACTIONS

Councillor John Prince and Councillor Barbara Murray are both elected members of Liverpool City Council and are nominated by that body to serve as trustees of Liverpool Council of Education. Liverpool City Council has for many years provided some routine administrative support without charge to Liverpool Council of Education, and Councillors Murray and Prince did not participate in taking decisions about the administrative support received. There were no other related party transactions identified in the year to 31 July 2020.