

Charity No. 312425

**Sir John Cass's Foundation  
Annual Report 2010**

## Sir John Cass's Foundation

### Reference and administrative details

#### For the year ended 31 March 2010

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**Charity number** 312425

**Registered office and operational address** 31 Jewry Street  
Aldgate  
London  
EC3N 2EY

**Principal objective** The principal objective is the promotion of education of young persons in attendance at Sir John Cass's Foundation and Red Coat Secondary School, Sir John Cass's Foundation Primary School, the London Metropolitan University or resident in the City of London, the Royal Borough of Kensington and Chelsea, and the London Boroughs of Camden, Greenwich, Hackney, Hammersmith and Fulham, Islington, Lambeth, Lewisham, Newham, Southwark, Tower Hamlets, Wandsworth and the City of Westminster.

#### The Foundation's Board of Governors

<b>Name</b>	<b>Office</b>	<b>Committee/s</b>
Kevin Everett	Treasurer	Finance, Grants, Staff Remuneration and Nomination
HH Judge Brian Barker		Grants
David Turner	Deputy Treasurer and Chairman of Finance	Finance, Grants, Staff Remuneration and Nomination
Prof Manuel Alvarado (Died 30 April 2010)	Chairman of Grants	Finance, Grants, Staff Remuneration and Nomination
Alderman Michael Bear		Grants
Mark Boleat		Finance
The Revd Christopher Burke		Audit & Compliance and Finance
Dr Ray Ellis	Deputy Chairman of Grants	Grants
Graham Forbes	Deputy Chairman of Finance	Finance
The Revd Nigel Kirkup		Audit & Compliance and Grants
Barbara Lane		Finance

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#### The Foundation's Board of Governors (continued)

<b>Name</b>	<b>Office</b>	<b>Committee/s</b>
Mervyn Streatfeild		Grants
David Hogben	Chairman of Audit and Compliance	Audit & Compliance, Finance Remuneration and Nomination
Sarah Dalgarno		Audit & Compliance, Finance and Nominations
Professor Mike Thorne		Grants
Helen Meixner		Staff Remuneration and Grants
Inigo Woolf (Since 20 May 2009)		Finance
The Revd Laura Burgess (Since 16 Dec 2009)		Grants
<b>Principal officers</b>	Anthony Mullee Richard Foley	Clerk / Chief Executive Deputy Clerk/Chief Executive
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS	
<b>Solicitors</b>	Bircham Dyson Bell 50 Broadway London SW1H 0BL	Devonshires Salisbury House London Wall London EC2M 5QY
<b>Property managers</b>	Jones Lang LaSalle 9 Queen Victoria Street London EC4N 4YY	

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<b>Investment managers</b>	Sarasin and Partners Juxon House 100 St. Paul's Churchyard London EC4M 8BU
	CCLA Investment Management Ltd 80 Cheapside London EC2V 6DZ
<b>Pension Actuary</b>	Gissings Consultancy Services Ltd Finsbury House 3 Finsbury Circus London EC2M 7UH
<b>Accountants</b>	Myers Clark Chartered Accountants and Registered Auditors Iveco House Station Road Watford Hertfordshire WD17 1DL
<b>Auditors</b>	Sayer Vincent Chartered Accountants & Registered Auditors 8 Angel Gate City Road London EC1V 2SJ

## **Sir John Cass's Foundation**

### **Treasurer's report**

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The Foundation had a successful year despite the implications associated with the economic down-turn and its effects upon the Foundation's income. As a result of rent reviews during the year, income from property increased by 4.7% to £841,232. However, investment income fell by 6.5% to £789,341. Most significantly, the low rates of interest generated from funds held on deposit resulted in a substantial fall in amounts received from £233,014 to £33,309. The Foundation did benefit from a review of its VAT position and received a repayment of £43,945 from HM Revenue & Customs (which has been netted off expenditure) which, coupled with £49,065 of other income, enabled the Foundation to exceed its overall budgeted income.

This enabled the Board to pay grants of £892,917 in 2009/10. Additional grants were approved during the year which will be paid out in future periods. In total grants approved and paid in 2009/10 were £1,003,707.

The Foundation continued to provide support in the form of rent free accommodation to the Sir John Cass's Foundation Primary and Secondary Schools, Cass and Claredale Halls of Residence and London Metropolitan University, equating to a significant benefit to each of these educational institutions.

The Foundation is very proud of its history, but is also a forward thinking charity, which addresses current educational needs and contributes to new thinking in education policy. This is demonstrated by the Foundation's active role in educational projects and an innovative grants strategy involving partnership working and funding to provide maximum assistance to the Foundation's beneficiaries.

This year the Foundation celebrates the tercentenary of the opening of Sir John Cass's School in the City of London in 1710, marking three centuries of the Foundation's commitment to empowering young people from disadvantaged backgrounds to extend and realise their aspirations through education. The Foundation marked this event with a very extraordinary 'Founder's Day' inviting people with a special relationship with the Foundation to a lunch at the Mansion House in the presence of His Royal Highness the Duke of Gloucester KG GCVO, sponsored by the City of London Corporation. Special coins were minted to celebrate the tercentenary and they will be issued to all pupils, teachers and Governors of the Sir John Cass Schools, along with a new book detailing the life of Sir John Cass and his Foundation.

The Foundation in partnership with the University of East London were delighted that Mrs Cherie Blair QC, agreed to open the new Sir John Cass School of Education in October 2009. This is a new state-of-the art teaching and resource centre in Stratford, that will contribute towards both the quality and quantity of teachers in London for many years to come.

## **Sir John Cass's Foundation**

### **Treasurer's report**

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The Foundation's work over the last few years was officially recognised when Ed Balls, the then Secretary of State for Children, Schools and Families announced the Foundation as the Specialist Schools and Academies Trust Sponsor of the Year 2010 at an event at the Guildhall on the 21 January 2010.

This was in recognition of the £3m the Foundation has awarded to 34 Specialist Schools, 3 Academies and the UK's first Parent Promoted School.

The Foundation has continued to inform and stimulate debate on future education policy at its annual 'Cass Foundation Lecture'. The Lecture was delivered by Michael Gove, the then Shadow Secretary of State for Children Schools and Families, at the Cass Business School on the 3 December 2009, using this event to launch some of HM Opposition's education policies. Mr Gove kindly agreed that the Foundation could publish the transcript of the Lecture and I am pleased to say that this was widely disseminated across Parliament, the educational and charitable sectors.

The Foundation has continued its leading edge programme work with the London Ambassador Scheme for Learners with Disabilities, a uniquely innovative highly successful Widening Participation Project, which saw those with physical and mental health difficulties assisted into further and higher education.

The Foundation also hopes to be able to agree shortly to the establishment of a £1.5m five year Sir John Cass's Foundation Lord Mayor's Scholarship Programme, which will commence in 2010/11. This imaginative partnership programme will enable bright young Londoners from disadvantaged backgrounds to be assisted through their undergraduate studies. This programme will strengthen ties between the Foundation and the City of London Corporation.

On a sad note, it falls to me as Treasurer to record formally the untimely death of Professor Manuel Alvarado on 30 April 2010, who was the highly respected Chairman of the Grants Committee. His contribution to the Foundation both in terms of his vision for the future and his sheer hard work were undeniable and this will be recognised by the Foundation more formally in the fullness of time. The Foundation's thoughts are with his family at this very difficult time.

I would like to thank my fellow Board members who again this year have spent an enormous amount of time on Foundation business, particularly visiting Foundation beneficiaries and representing the Foundation at external events.

Finally, the Board joins me in thanking and appreciating our staff who continue with their enthusiasm and hard work on behalf of the Foundation.

**Kevin Everett**

**Treasurer of the Foundation and Chairman of the Board of Governors**

**22 September 2010**

## **Sir John Cass's Foundation**

### **Report of the Governors**

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The Board present their report and the audited financial statements for the year ended 31 March 2010. The financial statements have been prepared on the basis of the accounting policies set out in note 1 to the financial statements and comply with the Charity's Scheme, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

#### **Nature of governing document and how the charity is constituted**

The Foundation was established in 1748 by an Act of Parliament which gave legal effect to the last will and testament of Sir John Cass. It is regulated by a Scheme made by the Secretary of State for Education and Science on 28 April 1970 under Section 18 of the Charities Act 1960, as amended by the Schemes made by the Charity Commissioners on 22 October 1979, 20 March 1992 and 15 June 1993.

#### **Membership of the Board**

There are eighteen members of the Board: two ex-officio, seven nominated and nine co-opted. The Scheme determines nominating bodies and terms of office. Members nominated by the City of London Corporation hold office for a term ending on the appointment date of their successors. All other nominated members' terms of office are for four years initially and co-opted members' are for five years initially. Both nominated and co-opted members are eligible for re-appointment.

#### **Methods of recruiting and appointing new Board Members**

The recruitment of new co-opted Board Members is based on the Foundation's Board Member Role Description and Person Specification and all new Board Members complete a Skills Audit questionnaire on appointment. The skills audit analysis is updated to determine the specialist skills to be sought when filling Board vacancies.

Nominating bodies are requested (but are under no obligation) to consider the Foundation's requirements during their selection process for representatives to the Foundation's Board.

Co-opted Board Members are appointed through a formal competitive process which includes national press advertising, shortlisting and interviewing. The Foundation retains monitoring statistics on the age group, gender, ethnic origin and disability of Board Members.

## **Sir John Cass's Foundation**

### **Report of the Governors**

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Prior to appointment, all Board Members sign a Declaration of Eligibility in accordance with Section 72 of the Charities Act 1993.

#### **Board Member Interests**

The Register of Board Members' Interests is reviewed annually. All agendas contain a standard Declaration of Interests item and in compliance with the Foundation's Conflicts of Interests Policy, any Board Member with a declared interest is excluded from voting.

During the year the London Diocesan Board of Schools, which nominates a salaried Director to the Foundation's Board, received £200,000 towards the St Mary Magdalene Academy in Islington.

The Southwark Diocesan Board for Education, which also nominates a salaried Director to the Foundation's Board, was awarded £500,000 towards capital projects; £300,000 towards the endowment for the St. Michael & All Angels Church of England Academy in Camberwell, which is due to be paid over three years (£100,000 paid in 09/10), and £200,000 towards a capital project at Christ Church North Brixton Church of England Primary School.

These awards represented approximately 50% of the Foundation's grant giving capability during the year ended 31 March 2010.

Details of Related Parties are set out in Note 18 in the financial statements.

#### **Induction and Learning & Development**

There is an Induction and Learning & Development Programme in place.

#### **Organisational structure and how decisions are made by trustees**

The Foundation's Governance Framework determines the appointment of the Treasurer and Deputy Treasurer [who are elected annually], and the nature, frequency and operation of Board and Committee Meetings. The Board meets four times a year.

The Foundation has a Finance Committee meeting quarterly, a Grants Committee meeting three times a year, an Audit & Compliance Committee meeting twice yearly, a Staff Remuneration Committee meeting once a year and a Nominations Committee who meet as and when necessary. The Finance Committee has one Sub Committee reporting on Investment matters. The Board and committees also appoint ad-hoc committees and working groups to examine specific work areas and submit recommendations where appropriate.



## **Sir John Cass's Foundation**

### **Report of the Governors**

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#### **Relationships with other charitable, public and private sector organisations**

The Foundation regularly engages with other institutions bearing the Cass name, particularly Sir John Cass's Foundation Primary School and Sir John Cass's Foundation and Redcoat Secondary School, and nominates four persons to the Governing Body of each school.

The Foundation makes nominations to:

- The Board of the University of East London
- City University Council
- Sir John Cass's Foundation Primary School and
- Sir John Cass's Foundation and Redcoat Secondary School

The Foundation keeps pace with changes in education policy through contact with local education authorities, the Department for Children Schools and Families and other public sector and charitable organisations.

#### **Risk Management**

The Board continued to operate its Risk Policy and action plan which are updated every year, covering aspects such as Business, Governance, Operational and Grant Risks.

#### **OBJECTIVES AND ACTIVITIES**

The Foundation is one of London's largest educational charities and has a substantial endowment invested in equities and property.

Its Mission, Vision and Values are:

##### **Mission**

The mission of the Foundation is to promote the education of young people in Inner London through its grant programmes for individuals, educational institutions and organisations.

##### **Values**

Our core values shape the way we pursue our vision and underpin the way we behave with each other as well as the way we interact with the world around us. They form the basis for the Foundation's mission and are:

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***Efficiency and Professionalism*** - we aim to treat people with dignity and respect always adhering to the highest personal and professional standards in the pursuit of business efficiency.

***Openness and Transparency*** – our policies, procedures and processes conform to the highest standards of governance and will stand the test of probity.

***Consideration*** – we treat everyone with empathy, compassion and understanding as we ourselves would wish to be treated.

***Innovation*** – we actively seek creative excellence to achieve change for the better.

#### **Vision**

Our Vision is to be regarded as an influential organisation, contributing to educational policy, practice and research in order to shape and meet the evolving needs of London's young people.

#### **Public Benefit**

The Governors 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 the planning and operations of all its current and future activities. In particular, the Governors have given due regard to public benefit when awarding grants.

#### **GRANT MAKING**

In fulfilling its objectives the Foundation makes grants to individuals and organisations and provides ongoing support to the following institutions:

- Sir John Cass's Foundation Primary School in the City of London
- Sir John Cass's Foundation and Redcoat Secondary School in the London Borough of Tower Hamlets
- City University (Cass Business School) in the London Borough of Islington
- London Metropolitan University (Sir John Cass Department of Art, Media and Design) in the London Borough of Tower Hamlets
- University of East London (Sir John Cass School of Education) in the London Borough of Newham
- Cass and Claredale Halls of Residence (Sir John Cass Hall) in the London Borough of Hackney

## Sir John Cass's Foundation

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The Foundation has awarded endowment and capital grants the London Diocesan Board for Schools and the Southwark Diocesan Board of Education to support infrastructure improvements to Church of England Schools and Academies within each Diocese.

The Foundation provides rent-free buildings to the Sir John Cass's Foundation Primary and Secondary Schools, London Metropolitan University and to the Cass and Claredale Halls of Residence, which equates to a substantial cash benefit for each institution. The Foundation also met the full cost of Founder's Day from which both Cass Schools benefited.

The Foundation does not engage in fund raising activity and its main charitable activity is grant making.

### **Grants Strategy**

The Foundation's Grants Strategy identifies four priorities as follows:

#### 1 Widening Participation

Aim

- Promote access to further and higher education for disadvantaged young people in Inner London.

#### 2 Truancy, Exclusion and Behaviour Management

Aim

- Encourage and support children and young people's attainment through initiatives that help them engage with, and stay in, education.

#### 3 Prisoner Education

Aim

- Reduce re-offending through education and initiatives that promote employability.

#### 4 New Initiatives

These are defined as either genuinely new, ground-breaking approaches to learning; or, projects that are new in context, i.e. activities that have not previously been implemented in a particular school or within a specific geographical area.

Aim

- Influence and improve education policy and practice, both within the Foundation's area of benefit and more widely.

## Sir John Cass's Foundation

### Report of the Governors

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In addition to these priorities, the Board also made a policy decision to support the Government's Specialist Schools and Academy Programmes through strategic partnerships and funding programmes.

In order to maintain a stable infrastructure from which grant making may be delivered and sustained the Board agreed the following objectives:

1. Provide annual revenue through investment income of up to £2 million
2. Provide Grant revenue of circa £1 million
3. Implement and keep under review the Grants & Monitoring and Evaluation Strategies
4. Review Investment and Property Strategy
5. Review the efficiency of both Governance and Management Practices
6. Promote the Foundation and its activities.

### ACHIEVEMENTS AND PERFORMANCE

#### Grant Making

The Foundation's grant making is guided by the principle of 'additionality' and will not support projects where a public authority has a statutory duty to provide the services for which funding is being sought.

#### Actual performance

The Foundation paid and committed approximately £1,003,707 (£960,000 in 2008/9) in grants during the year as follows:

<b>Grants Programmes</b>	<b>£</b>
Church of England Academies Programme	300,000
Other Organisations	371,487
Church of England Diocesan Boards	200,000
Foundation Schools	91,220
Individuals	41,000
<b>TOTAL</b>	<b>£1,003,707</b>

The Board had previously agreed £1.6m in principle towards two academies [supported by the London Diocesan Board for Schools and the Southwark Diocesan Board of Education] to be funded entirely from unrestricted reserves and to be paid over a number of years. During the year a grant of £200,000 was paid to the London Board towards St Mary Magdalene Academy in Islington.

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#### **Grant Making to Schools & Organisations**

Four grants were made to schools and organisations during the financial year totalling £291,976.

#### **An Example of Grant Making**

The following example conveys the scope of the Foundation's grant making to schools and organisations within the strategic priority areas:

#### **Sir John Cass's Foundation London Ambassador Scheme for Learners with Disabilities [Widening Participation]**

##### **£52,000 over three years to fund project costs and an evaluation report**

This Widening Participation Project involved 500 students from 40 schools from across the Foundation's beneficial area of inner London, including its own secondary school in Tower Hamlets.

The London Ambassador Scheme recruited university students with disabilities to deliver outreach activities to learners with similar disabilities in schools and colleges in inner London. The objectives of the scheme included targeting specific learners to raise their awareness of the opportunities in Further Education (FE) and Higher Education (HE), as well as their aspirations to aim for HE, and so increase their representation in FE and HE.

Support from the Foundation encompassed project costs but also paid for an evaluation report, which set out the outputs and outcomes of the project, and given that much of the work undertaken in the field of Widening Participation is fragmented, has spelt out what has been learnt, as well as what went less well. The recommendations that have been made have been well considered and will hopefully inform future policy in this area, as well as assisting the Government and others in the field, who will no doubt, consider undertaking similar projects in the future.

An evaluation event took place on 23 April 2010 in the Octagon at Queen Mary, University of London that afforded interested parties and professionals in field of Widening of Participation into FE and HE, a chance to meet senior representatives from the Foundation who funded this very successful 3 year programme and Student Ambassadors, as well as those from London East Thames Gateway Aim Higher and Achievability, who managed this project.

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Copies of the 50 page bound Evaluation Report were made available to those who attended the event, and in order to disseminate the findings of the project, to others in the educational and charitable sectors, as well as being available on the Foundation's website.

### Grant Making to Individuals

#### Bursaries and Scholarships during the year

The Foundation's eligibility criteria for grant making are that beneficiaries must be:

- Permanent residents of Inner London
- Under 25 years of age
- From a financially disadvantaged background

The Foundation decided to undertake a review of its scholarship programmes during the year, and as a result, fewer grants were awarded to students than in previous years. The Foundation made 57 grants to individuals in the 2009/10 financial year and 76 in 2008/9.

Bursaries of £500 were made to forty students totalling £20,000 as part of the Higher Education Bursary Scheme. Scholarships have also been made to undergraduate and postgraduate students at City University.

Grants have also been made to Old Cassians, namely to students who were in need of financial assistance, who had previously attended either Sir John Cass's Foundation Primary or Sir John Cass's Foundation Secondary Schools. These awards and prizes are presented to the students by the Treasurer of the Foundation at the Annual Prize Giving Evening held at Sir John Cass's Foundation Secondary School each autumn.

Grants made varied in size, depending on study costs, fees for courses, and the statutory support available to individuals.

Of the 57 students supported all but one was engaged in Higher Education.

Higher Education Bursary Scheme	£20,000
City University	£13,000
Individual Grants to Old Cassians	£8,000
<b>Total</b>	<b>£41,000</b>

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#### **Partnerships & Grant Making**

##### **East London Business Alliance [ELBA] & 2012 Olympic Games Legacy - Educational and Employment Opportunities**

The Foundation has co-funded an Education & Jobs Programme Manager with London Legacy 2020, a corporate social responsibility project leveraging in private sector skills and resources to secure a lasting legacy to the 2012 Olympic Games. London Legacy 2020 is part of ELBA, a business led East London regeneration agency.

The Programme Manager oversees the creation of employment and educational opportunities in East London over the period leading up to and including the Olympic Games in 2012 and will develop strategic initiatives and identify projects that are likely to meet the Foundation's funding priorities.

#### **Monitoring & Evaluation**

The Foundation's Monitoring and Evaluation Policy operates as follows:

##### **Organisations**

All organisations, including Sir John Cass's Foundation Primary School and Sir John Cass's Foundation & Redcoat Secondary School, as well the London Diocesan Board for Schools and the Southwark Diocesan Board for Education must provide information relating to the anticipated outputs and outcomes with their proposal, along with the cost and methodology to be used to collect and analyse the information.

Successful applicants will need to submit evaluation reports throughout the life of the project and future payments of grants are contingent upon receiving effective reports. The Foundation reserves the right to withdraw funding where an organisation has not submitted an evaluation report or where the project has not achieved its objectives.

Monitoring and evaluation should wherever possible be undertaken by the organisation in receipt of funding rather than by the Foundation. This can be undertaken by the organisation themselves, an independent body or by an external consultant hired by the Foundation. The cost of the evaluation will be included in the applicant's budget, and each application will be considered on a case by case basis, with the Grants Committee deciding how the Foundation will proceed on this matter and what will be considered as proportionate.

All grants in excess of £0.5m are to be independently monitored and evaluated by an external consultant.

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#### **Bursaries and Scholarships**

The monitoring and evaluation of individuals will mostly be undertaken by the colleges and universities with whom the Foundation works. The institutions are required to provide written reports indicating whether a student's academic progress, attendance and attitude is of a satisfactory nature. The Foundation reserves the right to withdraw funding where an individual is failing to meet the agreed standard or where they have made a false declaration with regards to their financial situation.

Universities and colleges are encouraged to arrange Scholars' Evenings which Board members can attend and will undertake destination surveys on a periodic basis or when requested by the Foundation. Applications from individuals seeking a bursary or a scholarship will be monitored in terms of disability and ethnicity to ensure that funding is available to all communities within the Foundation's area of benefit.

#### **Promotion & Communications**

The Foundation's website provides a wide range of online information to prospective applicants.

Four important events took place during the year:

#### **Opening of the Sir John Cass School of Education (University of East London)**

Mrs Cherie Blair QC opened the Sir John Cass School of Education on the 8 October 2009 and this state-of-the-art teaching and resource centre, which is based in Stratford, has already started to make a difference to both the quality and quantity of teachers in London. As a leading educational charity this was an ideal area for the Foundation to address and the Sir John Cass School of Education is already counted as one of London's foremost centres for teaching training. Many of its alumni are now working in local schools, thus supporting our grants strategy and it is a Category A provider for secondary teacher training.

#### **The Sir John Cass's Foundation Lecture**

Over 180 people, including senior educationalists and policy makers from the education sector, attended the third Sir John Cass's Foundation Lecture delivered by Michael Gove, the Shadow Secretary of State for Children, Schools and Families, at the Cass Business School in December 2009. Mr Gove kindly agreed that the Foundation could publish the transcript of the Lecture, which included details of the then HM Opposition Education Policies. Copies of the publication were distributed to all members of the House of Commons and House of Lords, Members of the European Parliament and Universities throughout the UK.



## **Sir John Cass's Foundation**

### **Report of the Governors**

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#### **Tercentenary of the Opening of Sir John Cass's School in 1710**

A history of Sir John Cass's Foundation was produced by the late Professor Manuel Alvarado to mark the Tercentenary of the opening of Sir John Cass's School in the City of London in 1710.

This was launched in the presence of His Royal Highness, the Duke of Gloucester KG GCVO at a luncheon at the Mansion House on 2 February 2010. A commemorative coin was also produced to mark this momentous occasion and copies will be provided to all pupils, staff and Governors of both Cass Schools.

#### **Specialists Schools and Academies Trust Sponsor of the Year 2010**

The Foundation received a national award from Ed Balls, the Secretary of State for Children, Schools and Families on the 21 January 2010 before an assembled audience of 500 educationalists at Guildhall. The Foundation was honoured as the Specialist Schools and Academies Trust Sponsor of the Year 2010 in recognition of the work the Foundation has done over the last 10 years.

The Foundation has awarded £3m in support of three academies, 34 Specialist Schools and also supported the first Parent Promoted School in the Country. This has unlocked tens of millions of pounds in additional funding from central Government.

A press release was issued and the National Brochure published for the event gave a detailed account of the work of the Foundation.

## **FINANCIAL REVIEW**

### **Investment Strategy**

The Board continued to adhere to the investment strategy introduced in 2008 which was to;

- Provide a targeted income return of between £1.5 million and £1.8 million
- Maintain the real value of the endowment
- Provide long term growth in income of 1.5% greater than the retail price index.

The Board had anticipated a fall in income and therefore took the decision to reduce the level of new grant commitments and to review its overheads in 2009/10. This enabled the Foundation to provide a surplus of approximately £900,000 for the year. As a result of commitments given in earlier years however, grant payments during 2009/10 were in excess of £1m.

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#### **Investment Performance**

Income from investment properties represented 49% of the Foundation's incoming resources. The total income from investment properties increased from £803,786 in 2008/09 to £841,232 in 2009/10. The 4.7% increase was due to rent reviews on certain properties during the year.

#### **Reserves and Funds Policy**

The Board reviewed the reserves policy and reaffirm objectives for the Foundation's Reserves & Funds Policy are to:

- Maintain a prudent level of operating reserves of £600,000, being approximately 12 months operating costs including pension costs and
- Create and maintain a minimum grant enabling fund of £1m to accommodate future grant applications for projects that are likely to have a significant impact on the education opportunities for disadvantaged young people.

As at 31 March 2010, the Foundation's general unrestricted funds were £1,691,973 of which £1,000,000 has been set aside for future grant applications as indicated above. This leaves operating reserves of £691,973 which the Board believes is in line with its target of £600,000.

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#### ACHIEVEMENTS & PERFORMANCE – 2009/10

##### Grant Making

<b>Organisation Name</b>	<b>Grant</b>
<b>Grants to Organisations</b>	<b>£371,487</b>
University of East London (Sir John Cass School of Education)	£200,000
City University (partnering with City of London Academy)	£57,880
East London Business Alliance (contribution to Youth 2020 Leg. Board)	£40,592
Shaftesbury Young People (care leavers project)	£25,345
Brixton Coffee Kiosk (contribution towards barista training for young people)	£13,500
Prisoners' Education Trust (grants for prisoners)	£9,200
Afasic (literacy project)	£8,200
City University (Sir John Cass's Foundation Lecture)	£7,145
Prisoners' Education Trust (grants for ex-prisoners)	£6,292
Achievability (evaluation of a widening participation project)	£3,333
<b>Grants to the Diocesan Boards</b>	<b>£500,000</b>
London Diocesan Board for Schools (Academy Programme)	£200,000
Southwark Diocesan Board of Education (Christ Church Primary School Brixton)	£200,000
Southwark Diocesan Board of Education (Academy Programme)	£100,000
<b>Grants to Cass Schools</b>	<b>£91,220</b>
Sir John Cass's Foundation & Redcoat Secondary School (Cass Benefits)	£60,000
Sir John Cass's Foundation & Redcoat Secondary School (Bursaries)	£3,000
Sir John Cass's Foundation & Redcoat Secondary School (Curriculum project)	£1,000
Sir John Cass's Foundation Primary School (Cass Benefits)	£14,220
Sir John Cass's Foundation Primary School (Tercentenary Projects)	£10,000
Sir John Cass's Foundation Primary School (Flagpole restoration)	£3,000
<b>Grants to Individuals</b>	<b>£41,000</b>
<b>Total Grants Awarded in 2009/10</b>	<b>£1,003,707</b>

The Foundation awarded nine grants to organisations, of which four attracted match funding from the Department of Children, Schools and Families and the Higher Education Funding Council for England as part of the Voluntary Aided Schools, Higher Education Institutions and Academies Programmes.

In addition to making good progress on its grant making priorities, the Foundation also achieved a range of internal efficiency measures agreed during the year. These related to:

## **Sir John Cass's Foundation**

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- Grant making - the implementation of the monitoring and evaluation and financial policies. This now means that all grants made by the Foundation will be subject to monitoring and evaluation and applicants will have to either draw down funds in the year they were awarded or to apply to the Foundation to have funds rolled over to the next financial year. If applicants fail to either draw down funds or apply to have them rolled over, grants will automatically be withdrawn.
- Re-structuring of the equity and property investments portfolio
- Improvements in the reporting and presentation of management accounts to the Board to support and facilitate effective decision making
- Negotiation of funding and property agreements with stakeholders
- Improvements in internal communications

### **Forward Look**

Although the Foundation's strategic priorities in grant making remain unchanged, the opportunities for grant making will continue to be affected by the ongoing economic situation. During the next year the Board will be considering and approving the following activities;

- Manage the Endowment and Investment Portfolio
- Maintain and Manage the Grants Programme
- Continue to Implement the Governance and Scheme Changes needed
- Continue to work with partners organisations to implement and add value to the Foundations objects
- Promote the Foundation through its activities to influence Education policy and direction to the advantage of the Foundation's beneficiaries.
- Continue to improve Foundation efficiency.

### **The Proposed Sir John Cass Square in the City of London**

During the year discussions continued with the City of London Corporation with regards to the possibility of establishing a Sir John Cass Square in Aldgate in the City of London. It would be fitting as Sir John Cass's Foundation School; the only primary school in the City of London, celebrated its Tercentenary in 2010.

The original school, and of course, Sir John Cass's Foundation have always been based in Aldgate since 1710 and 1748 respectively. The Sir John Cass Square could be used as an educational resource by both institutions.

## **Sir John Cass's Foundation**

### **Report of the Governors**

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#### **The Proposed Sir John Cass's Foundation Lord Mayor's Scholarship Programme**

Discussions have taken place with Alderman Michael Bear, who is expected to be elected Lord Mayor from November 2010, with regard to establishing a £1.5m Sir John Cass's Foundation Lord Mayor's Scholarship Programme in the 2010/11 academic year. The Foundation is currently considering the merits of working with seven educational institutions with a view to offering scholarships of up to £7,000 to a number of disadvantaged but bright young students from the Foundation's beneficial area of inner London to cover the costs of tuition fees and maintenance expenses throughout a scholar's undergraduate studies.

The Lord Mayor's Office will be considering offering match funding of up to £100,000 per annum as part of the annual appeal.

#### **Statement of responsibilities of the governors**

Law applicable to charities in England and Wales requires the governors to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the governors should follow best practice and:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The governors are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993. The governors 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.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Sir John Cass's Foundation**

**Report of the Governors**

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The governors confirm that, to the best of their knowledge, there is no information relevant to the audit of which the auditors are unaware. The governors also confirm they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

**Auditors**

Sayer Vincent were appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity.

**Approved by the Board on 22 September 2010 and signed on their behalf by:**

**NAME: Kevin Everett**

**TITLE: Treasurer & Chairman of the Board**

**SIGNATURE: .....**

**DATE: 22 September 2010**

## **Independent auditors' report**

### **To the Board of Governors of**

### **Sir John Cass's Foundation**

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We have audited the financial statements of Sir John Cass's Foundation for the year ended 31 March 2010 which comprise the statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Board of Governors as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the Board of Governors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Board of Governors, as the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the board of governors and auditors**

The responsibilities of the Board of Governors (who are also the directors of Sir John Cass's Foundation for the purposes of company law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the Board of Governors.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the information given in the annual report of the Board of Governors is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises the report of the Board of Governors, Treasurer's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

## **Independent auditors' report**

**To the Board of Governors of**

**Sir John Cass's Foundation**

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### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charity's state of affairs as at 31 March 2010 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.

11 November 2010

**SAYER VINCENT**  
**Chartered accountants & registered auditors**  
**London**



**Sir John Cass's Foundation**

**Statement of financial activities** (incorporating an income and expenditure account)

**For the year ended 31 March 2010**

	Note	Permanent endowment £	Primary school funds £	Designated funds £	Unrestricted funds £	2010 Total £	2009 Total £
<b>Incoming resources</b>							
<i>Incoming resources from generated funds</i>							
Investment income	2	-	-	-	1,663,882	<b>1,663,882</b>	1,880,614
Other incoming resources	3	-	-	-	49,065	<b>49,065</b>	54,602
<b>Total incoming resources</b>		-	-	-	1,712,947	<b>1,712,947</b>	1,935,216
<b>Resources expended</b>							
<i>Costs of generating funds:</i>							
Investment management	4	-	-	-	164,188	<b>164,188</b>	226,365
<i>Charitable activities</i>							
Promotion of education	4	-	-	-	379,364	<b>379,364</b>	592,641
Administration for other grant giving charities	4	-	-	-	71,483	<b>71,483</b>	181,705
Governance costs	4	-	-	-	176,801	<b>176,801</b>	91,941
Other resources expended	15	-	-	-	68,000	<b>68,000</b>	73,000
<b>Total resources expended</b>		-	-	-	859,836	<b>859,836</b>	1,165,652
<b>Net incoming/(outgoing) resources before transfers</b>		-	-	-	853,111	<b>853,111</b>	769,564
<b>Transfers</b>							
Gross transfers between funds		24,306	(24,306)	-	-	-	-
<b>Net incoming resources before other recognised gains and losses</b>		24,306	(24,306)	-	853,111	<b>853,111</b>	769,564
Unrealised gains on tangible fixed assets	9	-	-	41,300	-	<b>41,300</b>	29,776,000
Realised gains/(losses) on investment assets	10	161,293	102	-	3,173	<b>164,568</b>	(3,710,880)
Unrealised gains/(losses) on investment assets	10	8,503,119	4,864	-	151,255	<b>8,659,238</b>	(7,218,467)
<b>Net realised and unrealised losses on investment assets</b>		8,664,412	4,966	41,300	154,428	<b>8,865,106</b>	18,846,653
Actuarial (loss)/gains on defined benefit pension	15	-	-	-	(84,433)	<b>(84,433)</b>	95,000
Transfer of assets from Hill Elden & Francis Foundation		-	-	-	-	-	73,496
<b>Net movement in funds</b>		8,688,718	(19,340)	41,300	923,106	<b>9,633,784</b>	19,784,713
<b>Funds at the start of the year</b>		66,425,128	19,340	2,367,245	768,867	<b>69,580,580</b>	49,795,867
<b>Total funds carried forward</b>		<b>75,113,846</b>	-	<b>2,408,545</b>	<b>1,691,973</b>	<b>79,214,364</b>	69,580,580

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

## Sir John Cass's Foundation

### Balance sheet

As at 31 March 2010

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Tangible fixed assets	9	<b>38,289,545</b>	38,248,245
Investments	10	<b>39,925,447</b>	31,164,459
		<b>78,214,992</b>	69,412,704
<b>Current assets</b>			
Debtors	11	<b>24,199</b>	34,711
Short term deposits		<b>2,500,000</b>	2,213,392
Cash at bank and in hand		<b>687,677</b>	714,691
		<b>3,211,876</b>	2,962,794
<b>Creditors: amounts falling due within one year</b>	12	<b>667,937</b>	1,002,351
<b>Net current assets</b>		<b>2,543,939</b>	1,960,443
<b>Creditors: amounts falling due after one year</b>	13	<b>(500,000)</b>	(800,000)
<b>Net assets excluding pension liability falling due after one year</b>		<b>80,258,931</b>	70,573,147
<b>Defined benefit pension scheme liability falling due after one year</b>	15	<b>(1,044,567)</b>	(992,567)
<b>Net assets including pension liability</b>	16	<b>79,214,364</b>	69,580,580
<b>Funds</b>	17		
General unrestricted funds		<b>1,691,973</b>	768,867
Designated unrestricted funds		<b>2,408,545</b>	2,367,245
Restricted income funds		-	19,340
Permanent endowment		<b>75,113,846</b>	66,425,128
<b>Total funds</b>		<b>79,214,364</b>	69,580,580

Approved by the Board on 22 September 2010 and signed on its behalf:

NAME: Kevin Everett TITLE: Treasurer & Chairman of the Board

SIGNATURE: DATE: 22 September 2010

## Sir John Cass's Foundation

### Notes to the financial statements

#### For the year ended 31 March 2010

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#### 1. Accounting policies

a) The financial statements have been prepared under the historical cost convention, modified by the inclusion of tangible fixed assets at valuation and investments at market value, and in accordance with applicable accounting standards and the Charities Act 1993. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

#### b) Income

Income is included in the accounts in the period of entitlement to receipt.

#### c) Grants payable

The Foundation pays out grants in furtherance of the charitable objects. Some grants are made over a term of years of a project or course, and later payments are dependent on the recipient fulfilling certain conditions to determine whether such funding is provided, with the Foundation retaining discretion to terminate these grants. For this reason an immediate liability arises and is recognised only when the associated conditions have been met and the payments have been approved by the Foundation. Future commitments are recognised as resources expended when these conditions have been successfully fulfilled and the payment approved. The amounts committed but with conditions still to be fulfilled, are disclosed as future commitments in the notes to the accounts.

#### d) Resources expended

Resources expended are directly allocated to the most appropriate activity. Staff costs are allocated to activities on a staff time basis. Support costs are re-allocated on this basis. The current re-allocation percentages are included in Note 4.

#### e) Governance costs

Governance costs include all costs of supporting the board of governors of the Foundation, and all statutory compliance costs.

#### f) Cost of generating funds

The costs of generating funds include costs involved with the management of the property portfolio held by the Foundation.

## **Sir John Cass's Foundation**

### **Notes to the financial statements**

**For the year ended 31 March 2010**

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#### **1. Accounting policies (continued)**

##### **g) Pension Costs**

The costs of contributions to personal pension plans of employees are charged in the statement of financial activities in the year in which the contributions are payable. These relate to employees who joined the Foundation after 1990. Prior to this, the Foundation operated an unfunded defined benefit retirement pension scheme. Full provision has been made for the liabilities of this scheme on the basis of actuarial advice. The adequacy of the provision is reviewed annually.

##### **h) Tangible Fixed Assets**

The freehold properties which are used for the purposes of the Foundation or its beneficiaries are valued every five years by professional advisors and are stated in the balance sheet at the most recent valuation less any subsequent impairment adjustment. Three of the Foundation's four properties are valued at depreciated replacement cost, on the basis that the Foundation owns specialised properties, in line with the definitions of financial reporting standard 15. The other property is revalued on an existing use basis. More details are provided in Note 9 of the financial statements.

The works of art capitalised in the balance sheet are valued every five years by professional advisors and are stated in the balance sheet at the most recent valuation less any subsequent impairment adjustment.

Neither these properties nor works of art have been depreciated. The board members are of the opinion that any potential depreciation charge would be immaterial to the accounts. The board members believe the estimated life of these assets to be very long and the estimated residual value of the assets are close to the carrying amounts.

Items of equipment are capitalised where the purchase price exceeds £5,000. Individual items of furniture and computer hardware costing in excess of £5,000 are depreciated on a straight line basis at 33% per annum. Items costing less than £5,000 are written off in the year of purchase.

##### **i) Investments**

Investments are held for the purposes of the generation of income for future grant payments and are stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

## **Sir John Cass's Foundation**

### **Notes to the financial statements**

**For the year ended 31 March 2010**

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#### **1. Accounting policies (continued)**

##### **j) Funds**

###### **Permanent Endowment**

The permanent endowment fund comprises the original capital fund, and the accumulated gains on this fund, established to provide income for grant payments in accordance with the objectives of the Foundation. The capital cannot be converted into income. The fund is represented by the capital investments included in fixed assets. The endowment, realised gains and the unrealised gains on revaluation of related investment assets are credited to the capital account.

###### **General funds**

The income of the Foundation is expendable at the discretion of the board members in furtherance of the objects of the Foundation. Unrestricted assets are represented by the accumulated income investments in fixed assets and the net current assets of the Foundation.

###### **Primary School Funds**

The primary school funds comprised the capital of the Alfred Lyon and Aldgate Ward funds, which provide income for the benefit of Sir John Cass's Foundation School. During the year, these funds were transferred and combined with the permanent endowment fund.

##### **k) Connected Charities**

The staff of Sir John Cass's Foundation also undertake the administrative work for Aldgate and Allhallows Barking Exhibition Foundation and Samuel Butler's Educational Foundation. A management fee is payable in respect of the work involved, (see note 3). The charities have some trustees in common (see note 19 concerning related parties), but are not otherwise connected and are run as separate entities. Separate accounts are produced.

## Sir John Cass's Foundation

### Notes to the financial statements

For the year ended 31 March 2010

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#### 2. Investment income

	<b>2010</b>	2009
	£	£
Interest on short-term deposits	<b>33,309</b>	233,014
Dividends	<b>789,341</b>	843,814
Rents	<b>841,232</b>	803,786
	<b><u>1,663,882</u></b>	<u>1,880,614</u>

Rents are generated from the Foundation's property investment portfolio.

#### 3. Other incoming resources

	<b>2010</b>	2009
	£	£
Fees earned for the administration of other grant giving charities	<b>38,351</b>	53,605
Donations	<b>21</b>	997
Insurance refund	<b>6,190</b>	-
Other income	<b>4,503</b>	-
	<b><u>49,065</u></b>	<u>54,602</u>

## Sir John Cass's Foundation

### Notes to the financial statements

#### For the year ended 31 March 2010

#### 4. Total Resources Expended

	Investment management	Promotion of education	Administration for other grant giving charities	Support costs	Governance	2010 Total	2009 Total
	£	£	£	£	£	£	£
Grants payable (note 7)	-	293,584	-	-	-	<b>293,584</b>	506,745
Property management fee	54,854	-	-	-	-	<b>54,854</b>	39,365
Staff costs (note 6)	23,674	51,653	43,044	-	96,849	<b>215,220</b>	259,069
Staff training	-	-	-	1,985	-	<b>1,985</b>	-
Maintenance of inv portfolio	63,952	-	-	-	-	<b>63,952</b>	31,825
Office costs	-	-	-	100,403	-	<b>100,403</b>	164,743
Professional fees	6,067	-	-	39,807	-	<b>45,874</b>	74,975
Auditors' remuneration (note 5)	-	-	-	-	13,160	<b>13,160</b>	14,018
Board members' travel	-	-	-	-	2,804	<b>2,804</b>	1,912
	<u>148,547</u>	<u>345,237</u>	<u>43,044</u>	<u>142,195</u>	<u>112,813</u>	<u>791,836</u>	<u>1,092,652</u>
Resources expended							
Re-allocation of Support costs	<u>15,641</u>	<u>34,127</u>	<u>28,439</u>	<u>(142,195)</u> *	<u>63,988</u>	<u>-</u>	<u>-</u>
Total resources expended	<u>164,188</u>	<u>379,364</u>	<u>71,483</u>	<u>-</u>	<u>176,801</u>	<u>791,836</u>	<u>1,092,652</u>

\* Support costs have been re-allocated on the basis of staff time as follows: Investment management - 11% (2009: 31%), Promotion of education - 24% (2009: 17%), Administration of other grant giving charities - 20% (2009: 36%), Governance - 45% (2009: 15%)

Investment management time fell from 31% in 2009 to 11% in 2010, this was due to the foundation completing its re-structuring of its equity investment portfolio, but this will increase next year as the Foundation focuses on re-structuring its property strategy. Governance cost allocation has risen from 15% in 2009 to 45% in 2010 mainly due work associated with the Foundation's tercentenary celebrations, this involved approximately a third more formal committees, as well as informal planning with governors and the associated staff time to support and facilitate this.

## Sir John Cass's Foundation

### Notes to the financial statements

For the year ended 31 March 2010

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#### 5. Net incoming/(outgoing) resources for the year

This is stated after charging:	<b>2010</b>	2009
	£	£
Board members' remuneration	<b>Nil</b>	Nil
Board members' reimbursed expenses	<b>2,804</b>	1,912
Auditors' remuneration:		
▪ Audit	<b>8,436</b>	7,935
▪ Under accrual from previous year	<b>4,724</b>	-

11 board members claimed expenses for travel in 2009-2010 (2008/2009 - 11).

#### 6. Staff costs and numbers

	<b>2010</b>	2009
	£	£
Remuneration (including benefits in kind)	<b>182,262</b>	206,249
Social security costs	<b>19,242</b>	22,713
Pension costs	<b>13,715</b>	30,107
	<b>215,219</b>	259,069

Pension costs above represent contributions made by the Foundation to personal pension plans for staff, these payments are not to members of the Sir John Cass's Foundation pension scheme.

No member of staff earned remuneration over £60,000.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	<b>2010</b>	2009
	No.	No.
Investment management	<b>0.51</b>	0.90
Promotion of education	<b>1.10</b>	1.64
Administration for other grant giving charities	<b>0.92</b>	1.91
Governance	<b>2.07</b>	0.80
	<b>4.60</b>	5.25

This split reflects the staff time spent on different activities.



## Sir John Cass's Foundation

### Notes to the financial statements

#### For the year ended 31 March 2010

#### 7. Grants Payable

Reconciliation	2010 £	2009 £
Creditors at the start of the period	1,612,023	1,909,038
Grants awarded in the year (note 4)	<u>293,584</u>	<u>506,745</u>
Grants committed to in the year	1,905,607	2,415,783
Grants paid during the year	<u>(892,917)</u>	<u>(803,760)</u>
Creditors at the end of the period	<u><u>1,012,690</u></u>	<u><u>1,612,023</u></u>

Creditors at the year end are payable as follows:

Within one year (note 12)	512,690	812,023
After one year (note 13)	<u>500,000</u>	<u>800,000</u>
	<u><u>1,012,690</u></u>	<u><u>1,612,023</u></u>

#### 8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 9. Tangible fixed assets

	Art £	Freehold land and buildings £	Total £
At 1 April 2009	2,367,245	35,881,000	<b>38,248,245</b>
Revaluation during the year	<u>41,300</u>	<u>-</u>	<u><b>41,300</b></u>
At 31 March 2010	<u><u>2,408,545</u></u>	<u><u>35,881,000</u></u>	<u><u><b>38,289,545</b></u></u>

Sir John Cass's Foundation own four properties (Sir John Cass's Foundation Primary School, Sir John Cass's Foundation and Redcoat Church of England Secondary School, 31 Jewry St (occupied by London Metropolitan University), and Cass & Claredale Halls of Residence Limited. These properties are used for direct charitable purposes. The Foundation does not charge the occupiers rental for the use of these properties and no estimate for the free rental has been made.

Three of these properties were revalued on 31 October 2008 on a depreciated replacement costs basis by the Foundation's property advisors, Jones Lang LaSalle as follows: Primary School - £8,221,000; Secondary School - £22,760,000; and Cass & Claredale Halls of Residence - £4,500,000.

## Sir John Cass's Foundation

### Notes to the financial statements

For the year ended 31 March 2010

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#### 9. Tangible fixed assets (continued)

The valuations of these three properties were reviewed for insurance purposes at 31 March 2010 by the occupiers and included in the relevant insurance policies at the following valuations: Primary School - £9,400,000; Secondary School - £26,100,000; and Cass & Claredale Halls of Residence - £6,800,000. On the basis of this information, the Foundation is satisfied that no impairment provision is required.

The fourth property (31 Jewry Street, London), was revalued on an existing use basis by the Foundation's property advisors, Jones Lang LaSalle on 18 January 2010 at £400,000.

The Foundation also has a collection of works of art and silver including a statue of Sir John Cass by the sculptor Louis Francois Roubilliac, a collection of painted panels by the artist Robert Robinson (dating from 1696) and an historic document archive. The Roubilliac statue is on permanent loan to the City of London Corporation and is on display in the Guildhall. The archive has also been moved to the City of London Corporation's Library at the Guildhall. The works of art were valued in March 2010 by Sothebys at £2,408,545 for insurance purposes, at the probable cost of replacing the items.

These assets have not been depreciated. This is in accordance with the Foundation's accounting policy (h).

#### 10. Investments

	2010	2009
	£	£
Market value at the year start	<b>31,164,459</b>	<u>37,964,776</u>
Investment additions at cost	<b>4,418,576</b>	31,276,822
Investments transferred from Hill Elden	-	73,496
Investment disposal proceeds	<b>(4,616,808)</b>	<u>(27,231,085)</u>
Total investment disposals	<b>(198,232)</b>	4,119,233
Realised gains / (losses) in investments	<b>164,568</b>	<u>(3,710,880)</u>
	<b>164,568</b>	(3,710,880)
Unrealised gains / (losses) in property portfolio	<b>814,076</b>	(2,345,000)
Unrealised gains / (losses) in investments	<b>7,845,162</b>	<u>(4,873,467)</u>
Net unrealised losses on investments	<b>8,659,238</b>	<u>(7,218,467)</u>
Market value of investments at the end of the year	<b>39,790,033</b>	31,154,662
Cash held as part of investment portfolio	<b>135,414</b>	<u>9,797</u>
	<b>39,925,447</b>	<u>31,164,459</u>

## Sir John Cass's Foundation

### Notes to the financial statements

For the year ended 31 March 2010

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#### 10. Investments (continued)

Equity investment management fees ranging from 0.3% to 0.75% per annum of the portfolio value are charged within the relevant funds and therefore reflected in the closing market values and/or the net income distributed.

Investments comprise:

	2010 £	2009 £
UK Common investment funds	27,300,122	19,353,209
Investment properties in the UK	<u>12,625,325</u>	<u>11,811,250</u>
	<u><b>39,925,447</b></u>	<u><b>31,164,459</b></u>

Investments representing over 5% by value of the portfolio comprise:

	£	%
Investment properties in the UK	12,625,325	31.60%
Sarasin Int Equity Inc CLS 'B' Inc	4,252,891	10.60%
Sarasin Equisar Global Thematic Fund Inc B Shares	<u>3,875,698</u>	9.70%

Investment properties are stated at market value. Valuations of the Foundation's properties as at 31 March 2010, on an open market basis, were carried out by Jones Lang LaSalle Limited, Chartered Surveyors.

#### 11. Debtors

	2010 £	2009 £
Sundry debtors	24,199	34,470
Prepayments and accrued income	<u>-</u>	<u>241</u>
	<u><b>24,199</b></u>	<u><b>34,711</b></u>

## Sir John Cass's Foundation

### Notes to the financial statements

For the year ended 31 March 2010

#### 12. Creditors: amounts falling due within one year

	2010	2009
	£	£
<b>Grant creditors</b>		
Individuals	-	13,675
Organisations, London & Southwark Diocesan Boards, Academy Programme and Universities (note 7)	<u>512,690</u>	<u>798,348</u>
	<b>512,690</b>	<b>812,023</b>
Trade and other creditors	<b>30,660</b>	9,855
Accruals	<b>24,154</b>	80,040
Pension creditor due within one year (note 15)	<u>100,433</u>	<u>100,433</u>
	<u><b>667,937</b></u>	<u><b>1,002,351</b></u>

#### 13. Creditors: amounts falling due after one year

	2010	2009
	£	£
<b>Grant creditors</b> (note 7)		
Academy Programme and Universities	<u>500,000</u>	<u>800,000</u>

#### 14. Grant commitments

Future commitments in respect of grants made over a term of years, subject to conditions and subsequent Foundation approval:

	2010	2009
	£	£
Within one year	<b>194,915</b>	219,696
Between one and two years	<b>64,068</b>	106,123
Between two and three years	<b>26,200</b>	33,350
Greater than three years	<u>-</u>	<u>10,000</u>
	<u><b>285,183</b></u>	<u><b>369,169</b></u>

**Sir John Cass's Foundation**

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**For the year ended 31 March 2010**

**15. Pension liabilities**

	<b>2010</b>	2009
	£	£
Balance at the start of the year	<u>1,093,000</u>	<u>1,213,000</u>
Benefits paid	<b>(100,433)</b>	(98,000)
Interest cost	<b>68,000</b>	73,000
Actuarial loss/(gain) to future pension obligations	<u>84,433</u>	<u>(95,000)</u>
Net movement in provision in the year	<u>52,000</u>	<u>(120,000)</u>
Balance at the end of the year	<u><b>1,145,000</b></u>	<u>1,093,000</u>
Benefits payable falling due within one year	<b>100,433</b>	100,433
Benefits payable falling due after one year	<u>1,044,567</u>	<u>992,567</u>
Balance at the end of the year	<u><b>1,145,000</b></u>	<u>1,093,000</u>

The Foundation used to operate an unfunded defined benefit pension scheme for employees of the Foundation. This scheme was closed to new members in 1990. There are currently eight members, all retired, and all obligations which exceed the accounted for liability are met out of unrestricted reserves. The pension provision is reviewed for its adequacy annually at the balance sheet date by a recognised firm of actuaries. The outstanding liability was estimated using FRS17 valuation methodology with the following assumptions:

	<b>2010</b>	2009
	% per annum	% per annum
Economic assumptions		
Discount rate applied	<b>5.50</b>	6.50
Increases to pension payment	<b>2.50</b>	2.50

**History of experience gains and losses**

Experience gain/(loss) arising on the scheme liabilities (£'000)	<b>10</b>	31
Percentage of present value scheme liabilities	<b>0.9%</b>	2.8%
Change in assumptions underlying the present value of scheme liabilities gain/(loss)	<b>(91)</b>	64
Percentage of present value of scheme liabilities	<b>7.9%</b>	5.9%

The actuarial valuation of the liability over the preceding five years has been as follows:

	2006	2007	2008	2009	2010
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Total pension liability	<u>1,399</u>	<u>1,282</u>	<u>1,213</u>	<u>1,093</u>	<u>1,145</u>

**Sir John Cass's Foundation**

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**16. Analysis of net assets between funds**

	Permanent endowment fund £	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	35,881,000	-	2,408,545	-	<b>38,289,545</b>
Investments	39,232,846	-	-	692,601	<b>39,925,447</b>
Net current assets	-	-	-	2,543,939	<b>2,543,939</b>
Long term liabilities	-	-	-	(1,044,567)	<b>(1,044,567)</b>
<b>Net assets at the end of the year</b>	<b><u>75,113,846</u></b>	<b><u>-</u></b>	<b><u>2,408,545</u></b>	<b><u>1,691,973</u></b>	<b><u>79,714,364</u></b>

**17. Movements in funds**

	At 1 April 2009 £	Incoming Resources £	Outgoing Resources £	Realised/ unrealised gains & losses/ movement in pension reserve £	Transfers between funds	At 31 March 2010 £
<b>Endowment funds</b>	66,425,128	-	-	8,664,412 *	24,306	<b>75,113,846</b>
<b>Restricted funds:</b>						
Foundation Primary School Alfred Lyon and Aldgate Ward Funds	19,340	-	-	4,966	(24,306)	-
<b>Designated unrestricted funds</b>						
Art reserve	2,367,245	-	-	41,300	-	<b>2,408,545</b>
<b>General unrestricted funds</b>	<u>768,867</u>	<u>1,712,947</u>	<u>(859,836)</u>	<u>69,995</u>	<u>-</u>	<b><u>1,691,973</u></b>
<b>Total funds</b>	<b><u>69,580,580</u></b>	<b><u>1,712,947</u></b>	<b><u>(859,836)</u></b>	<b><u>8,780,673</u></b>	<b><u>-</u></b>	<b><u>79,214,364</u></b>

\* The movement in the endowment funds includes the revaluation of the Foundation's properties and investments as referred to in note 10.

**Purpose of restricted funds**

Foundation Primary  
School Alfred Lyon and  
Aldgate Ward Funds: The primary school fund comprises the capital of the Alfred Lyon and Aldgate Ward funds, which provide income for the benefit Sir John Cass's Foundation Primary School

During the year the Charity Commission approved the transfer of all funds from the restricted funds to the endowment funds.

**Purpose of designated funds**

Art reserve: This reserve represents the valuation of the artefacts including the Roubilliac statue of Sir John Cass

**Sir John Cass's Foundation**

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**For the year ended 31 March 2010**

**18. Related parties**

<b>Related party</b>	<b>Property arrangements</b>	<b>Nominations to Sir John Cass's Foundation Board of Governors</b>	<b>Nominations by Sir John Cass's Foundation to Board of related party</b>	<b>Fees received</b>	<b>Grants agreed and/or paid in the year</b>
Sir John Cass's Foundation Primary School	Freehold of the School owned by the Foundation		Four members of the Governing Body		Rent free accommodation, £14,220 Cass Benefits, £10,000 Tercentary Projects and £3,000 Flagpole restoration
Sir John Cass's Foundation and Redcoat Secondary School	Freehold of the School owned by the Foundation		Four members of the Governing Body		Rent free accommodation, £60,000 Cass Benefits, £3,000 Bursaries and £1,000 Curriculum Project
Aldgate and Allhallows Exhibition Foundation; Samuel Butler's Education Foundation (SBEF)	Shares offices and administered by staff of the Foundation		One member of the Governing Body of SBEF	£38,351	
City University			One Council Member, Two Court Members & Two Members to Cass Business School Advisory Board		£57,880 (partnering with City of London Academy) and £7,145 Sir John Cass's Foundation Lecture
London Metropolitan University	Occupies Foundation's premises at 31 Jewry Street, London		One Council Member		Rent free accommodation
London Diocesan Board of Education		One member of the Board			£200,000 Academy Programme
Southwark Diocesan Board of Education		One member of the Board			£200,000 to Christ Church Primary School Brixton and £100,000 Academy Programme