



City of London Corporation

**REPORT TO THOSE CHARGED WITH GOVERNANCE
FEBRUARY 2017**

Bridge House Estates, City's Cash, City's Cash Trusts, the Corporations Sundry Trusts & Other Accounts

External Audit Strategy & Planning Report on the 2016-17 Financial Statements

Contents

External Audit Strategy & Planning Report on the 2016-17 Financial Statements

	Page
1. Introduction	3
2. Scope of our audit	4
3. Our audit approach	6
4. Findings from the audit	8
5. Significant risks	10
6. Audit timetable, fees & our team	12
Appendix 1 – Entities Covered by the Plan	14

1 Introduction

The City of London Corporation has appointed Moore Stephens as external auditors to Bridge House Estates, City's Cash, City's Cash Trusts, the Corporation's Sundry Trusts & other accounts, for the four year period 2013-14 to 2016-17. A full list of the charities and entities covered by this plan is included in Appendix 1. This document comprises our audit strategy and approach for the 2016-17 external audit, the fourth year of our appointment.

Our audit is designed to allow us to give an opinion on whether the financial statements are 'true and fair' and where applicable have been prepared in accordance with the requirements of United Kingdom Generally Accepted Accounting Practice – FRS 102 and the Charities Act 2011 as appropriate.

1.1 Purpose of the plan

The plan sets out the ways in which the City of London Corporation's City's Cash and the Corporation's charities and Moore Stephens will meet their respective responsibilities. The plan summarises:

- the responsibilities of the Corporation and the auditors;
- our audit approach to the audit;
- our assessment of key risk areas facing City's Cash and the Corporation's charities, and the impact of these risks on our audit;
- our liaison with internal audit;
- our timetable and the fee for the audit; and
- background to the Moore Stephens audit team.

1.2 Adding value through the audit

All of our clients quite rightly demand from us a positive contribution to meeting their ever-changing business needs.

We hope that our audit work will add value to the Corporation by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to help the Corporation promote improved standards of governance, better management and decision making and more effective use of public money. To this end we have already engaged with the Corporation to understand how we, and the Corporation, can work more effectively to improve our service during the 2016-17 audit.

Any comments you may have on the service we provide would be greatly appreciated.

1.3 Actions for the Audit and Risk Management Committee

The Audit and Risk Management Committee is invited to consider and discuss:

- whether our assessment of the risks of material misstatement to the financial statements are appropriate and complete;
- our proposed audit plan to address these risks; and
- whether the financial statements could be materially misstated due to fraud, and communicate any areas of concern to management and the audit team.

Nick Bennett

Engagement Lead

nick.bennett@moorestephens.com

Moore Stephens LLP

2 Scope of our work

2.1 Introduction

We set out below an outline of the nature and scope of the work we propose to undertake and the form of the report we expect to make, including where relevant, any limitations thereon.

As you are aware, we issue an opinion at the end of the audit as to whether the financial statements give a true and fair view of the state of affairs at the period end, of the results for the period then ended, and that the financial statements have been properly prepared in accordance with accounting standards and underlying legislation.

It is the responsibility of management and those charged with governance to prevent and detect fraud. In planning and performing the audit we need to consider the risk of material misstatement in the financial statements, including that due to fraud. We have made initial enquiries of management with regard to their assessment of the risk that the financial statements may be materially misstated due to fraud. The assessment of risk will be re-confirmed as part of our audit completion procedures before forming our opinion on the financial statements.

Consequently, we consider the risk of your financial statements being misstated and/or not being prepared in accordance with accounting standards and underlying legislation. We then direct our work toward areas of the accounts which could contain material misstatements. Auditors do not examine every item in a group of transactions or balances but instead select a sample of those transactions or balances for examination. The level of testing we carry out is based on our assessment of risk. We also document and review your systems, partly to confirm they form an adequate basis for the preparation of the accounts, but also to identify the controls operated to ensure the completeness and accuracy of the data.

2.2 Scope of the Audit

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK and Ireland)). These standards represent best practice in auditing, thereby increasing public confidence in the audit process.

As part of the audit we will review the information published with the financial statements, including information contained in each of the Trustee's Annual Reports. We will report to you if, in our opinion the published information given is inconsistent in any material respect with the financial statements.

2.3 Respective Responsibilities

In line with ISAs (UK and Ireland) we are required to agree the respective responsibilities of the City of London Corporation and Moore Stephens. These responsibilities are set out in our Letter of Engagement dated November 2013. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

2.4 Trustee's Responsibilities for the Corporation's charities

The Trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards - FRS 102.

The law applicable to charities in England & Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's governing document. It is 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.

2.5 Corporation of London responsibilities for City's Cash

The City of London Corporation is responsible for preparing the City's Cash financial statements in accordance with United Kingdom Accounting Standards - FRS 102. It is also responsible for keeping proper accounting records and safeguarding assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

2.6 Report on matters by exception

Moore Stephens is also obliged to report on a number of matters by exception. These include whether adequate accounting records have been kept, and whether all information required for the audit has been provided.

2.7 Accounting estimates and related parties

ISAs (UK and Ireland) require us to consider the risk of material misstatement in respect of accounting estimates made by management. We have considered whether any significant risks exist and these are set out in the Significant Risk section of this report. We will work with management to identify any accounting estimates that may be made and we will assess whether any of these pose a significant risk of material misstatement.

We are also required to perform audit procedures to identify, assess and respond to the risks of material misstatement that may arise from failure to account for or disclose related party relationships appropriately.

Other matters

2.8 Materiality

Materiality is an expression of the relative significance of a matter in the context of the annual accounts as a whole. A matter is material if its omission or misstatement would reasonably influence the decisions of an addressee of the auditor's report. The assessment of what is material is a matter of professional judgement over both the amount and the nature of the misstatement. Our initial calculation of materiality for the entities and funds covered by this plan is included in Appendix 1.

We set a performance (testing) materiality for each area of work which is based on a risk assessment for the area. We will perform audit procedures on all transactions, or groups of transactions, and balances that exceed our performance materiality. This means that we perform a greater level of testing on the areas deemed to be of significant risk of material misstatement. Where the area risk assessment is high, a lower performance materiality is applied, which in turn increases the sample size applied to testing.

Area risk assessment	Percentage of materiality applied
High	40% - 50%
Medium	50% - 60%
Low	60% - 75%

We will report any misstatements identified through our audit that fall into one of the following categories:

- All material corrected misstatements;
- Uncorrected misstatements with a value in excess of 1% of the overall materiality figure; and
- Other misstatements below the 1% threshold that we believe warrant reporting on qualitative grounds.

2.9 Independence

Moore Stephens complies with relevant ethical requirements regarding independence and has developed safeguards and procedures in order to ensure our independence and objectivity.

We will reconfirm our independence and objectivity to the Audit and Risk Management Committee following the completion of the audit.

3 Our audit approach

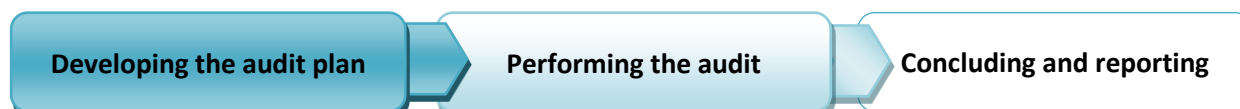
3.1 We plan to address significant risks of material misstatement in the financial statements

Our approach to the audit of financial statements uses a range of techniques to obtain audit evidence and assurance and is based on a thorough understanding of the organisation.

This understanding allows us to develop an audit strategy which focuses on addressing specific risks whilst providing an acceptable level of assurance across the financial statements as a whole.

3.2 Outline of our general audit approach

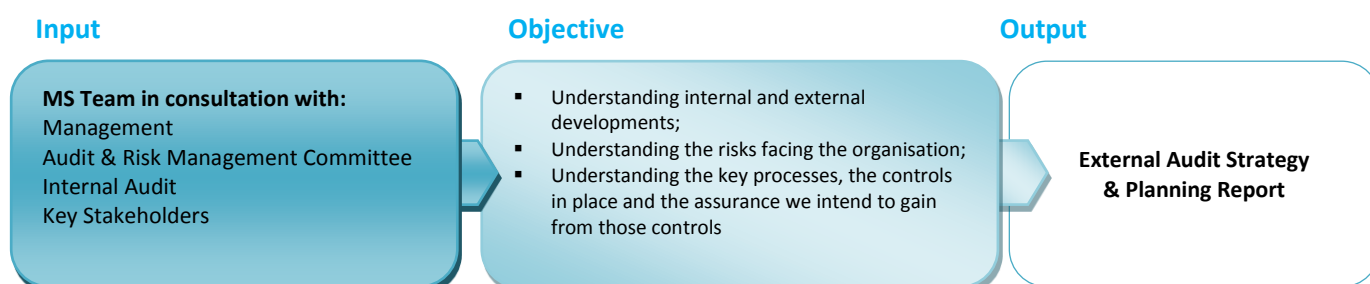
Our audit of the financial statements can be split into three phases:



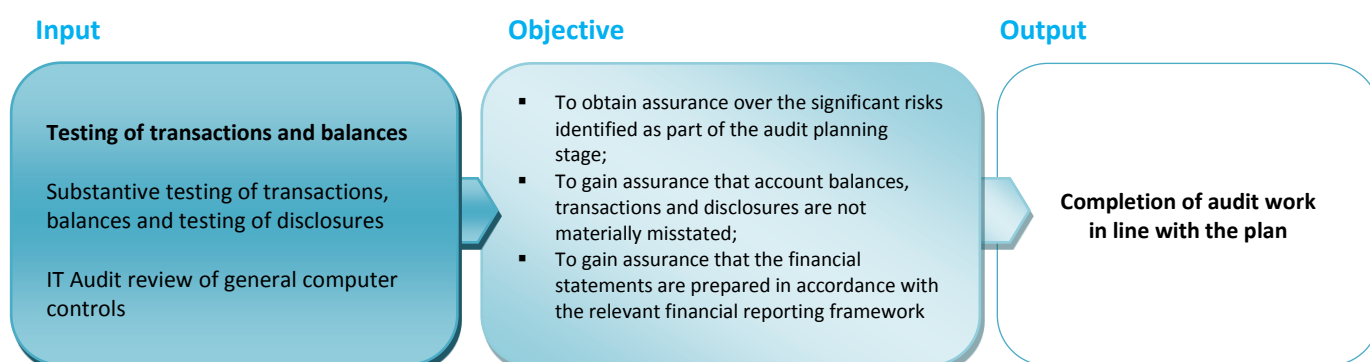
An overview of the inputs into each of the three audit approach phases, the work we undertake and our planned outputs is provided below.

3.3 The three phases of the audit

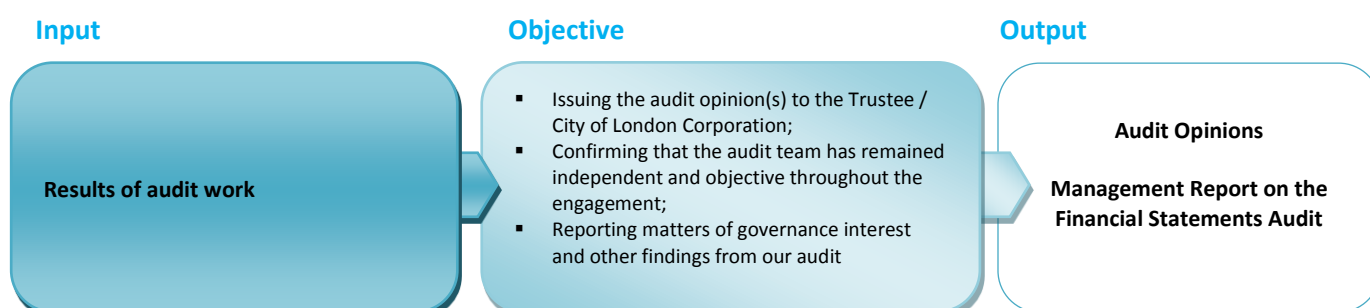
1. Developing the audit plan



2. Performing the audit



3. Concluding and reporting



3.4 Using the work of internal audit

We will liaise closely with internal audit throughout the audit process and seek to take assurance from their work where their objectives cover areas of joint interest. We also carry out a review of the internal audit structure and function in accordance with International Standard on Auditing (UK and Ireland) 610. We will review internal audit's plans and aim to place reliance where the nature, timing and work performed is suitable to support our opinion.

In addition, our IT audit work will seek to gain assurance from any IT work performed by Internal Audit.

3.5 Error reporting threshold

For reporting purposes, we will treat any misstatements below 1% of materiality in each individual account as "trivial", subject to a de-minimis limit of £1,000, and therefore not requiring consideration by the Audit and Risk Management Committee. Please note that this is a separate threshold to our consideration of materiality by value, which is used in forming the audit opinion.

4 Findings from the audit

We expect to communicate the following to you:

4.1 Proposed modifications to our report

As you would expect, we will discuss any proposed modifications to our report with you to ensure that you are aware of the proposed modification and the reasons for it. This will also ensure that there are no disputed facts and enable you to provide us with further information and explanations in respect of any matters giving rise to the proposed modification.

4.2 Uncorrected misstatements detected by us

As you are aware, when misstatements identified by us are not corrected we communicate all such uncorrected misstatements, other than those we believe are trivial, to you and request you make the corrections. Where you do not wish to make some or all of the corrections, we shall discuss with you the reasons for, and the appropriateness of, not making those corrections, having regard to qualitative as well as quantitative considerations, and consider the implications for our report of the effect of misstatements which remain uncorrected. We would also consider whether there are any uncorrected misstatements that should be communicated to the Trustee. We are required to obtain a written representation from the Trustee that explains your reasons for not correcting any misstatements brought to your attention by us. A summary of uncorrected misstatements will be included in, or attached to, a letter from you of representations made orally to us.

4.3 Significant findings from the audit

We will report to you any observations we may have regarding your systems and other appropriate matters. This report will focus on significant deficiencies that have come to our attention in the course of the audit and therefore will not necessarily cover all of the weaknesses that may exist in the system.

During the course of our audit, we consider the qualitative aspect of the accounting practices, including accounting policies, accounting estimates and financial statement disclosures, including items that have a significant impact on the relevance, reliability, comparability, understandability and materiality of the information provided by the financial statements. We would discuss, as necessary, the following items with senior management and the Audit and Risk Management Committee:

- The appropriateness of the accounting policies to the particular circumstances;
- The timing of transactions and the period in which they are recorded;
- The appropriateness of accounting estimates and judgements (for example, in relation to provisions) including the consistency of assumptions and degree of prudence reflected in the accounting records;
- The potential effect on the financial statements of any uncertainties including significant risks and disclosures, such as pending litigation, which are required to be disclosed in the financial statements;
- Material uncertainties related to events and conditions that may cast significant doubt on the ability to continue as a going concern;
- The extent to which the financial statements are affected by any unusual transactions during the period and the extent to which such transactions are separately disclosed in the financial statements;
- Any apparent misstatements in the Trustee's report or material inconsistencies between the reports and the audited financial statements;
- Disagreements about matters that, individually or in aggregate, could be significant to the financial statements or the auditor's report. These communications include consideration of whether the matters have or have not been resolved and the significance of the matters;
- Significant difficulties, if any, encountered during the audit;
- Significant matters, if any, arising from the audit that were discussed, or subject to correspondence with management; and
- Written representations we are requesting from management.

If, during the audit, we identify a fraud or obtain information that indicates a fraud may exist, we shall communicate this to you on a timely basis in order to assist you with your responsibility as regards the prevention and detection of such frauds.

We trust that this approach to the above matters is helpful to you.

4.4 Third parties interested in communications to those charged with governance

Occasionally you may wish to provide third parties, for example bankers, with copies of a written communication from ourselves. We need to ensure that any third parties that see any such communications understand that they were not prepared with them in mind. Therefore, we will normally state in our communications that the report has been prepared for the sole use of the City of London Corporation. It should not be disclosed to a third party, or quoted or referred to without our written consent and no responsibility is assumed by us to any other person. Consequently, we expressly disclaim any liability, howsoever arising, to third parties.

5 Significant risks

5.1 Risks of material misstatement in the financial statements

As part of our planning, we have held meetings with senior management to discuss their perception of the risks Bridge House Estates, City's Cash, City's Cash Trusts, the Corporation's Sundry Trusts & other accounts currently face. From this we have identified areas of significant audit risk and also areas where we consider that there are risk factors, either of material misstatement or to the delivery of the audit.

5.2 Significant issues identified during our audit fieldwork

Significant risks are identified as assessed risks of material misstatement that, in the auditor's judgment, require special audit consideration. Under International Standard on Auditing (UK and Ireland) 240, there are two presumed significant risks of material misstatement – fraud arising from management override of controls; and fraud in revenue recognition. Our initial planning work and discussions with the City of London Corporation senior finance team have not identified any additional significant audit risks.

Significant audit risk	Audit response
Revenue recognition (All funds and entities) Under International Standard on Auditing (UK and Ireland) 240, there is a presumed, albeit rebuttable, significant risk of fraud in revenue recognition. We consider this risk cannot be rebutted for income in all organisations.	Our work will include: <ul style="list-style-type: none"> documenting, evaluating and testing the controls which ensure income is completely and accurately recorded, specifically reviewing investment income and rental income from investment properties; performing substantive testing of all income stream transactions, including significant or unusual transactions; and reviewing the accounting treatment and disclosure of income to ensure that it is in accordance with FRS 102 and the Charities SORP (FRS 102).
Management override (All funds and entities) Under International Standard on Auditing (UK and Ireland) 240, there is a presumed significant risk of material misstatement owing to fraud arising from management override of controls.	Our work will include (but shall not be limited to): <ul style="list-style-type: none"> focussed testing of journals incorporating CAATs; review and recalculation of estimates; and review of any significant or unusual transactions in the year.
Hampstead Heath Ponds (City's Cash Trusts and City's Cash) During the 2014-15 financial year, a Judicial Review found in favour of the City of London Corporation and as a consequence work has begun at Hampstead Heath Ponds and has been completed in 2016-17. An asset under construction valued at £8.7m was recorded in the 2015-16 financial statements. The total expected value of the work is £14.7m.	Our work will include: <ul style="list-style-type: none"> discussion with officers and review of supporting documentation to assess and agree the accounting treatments and disclosures made in the financial statements; and reviewing and considering the disclosures made in the financial statements to ensure that they remain appropriate and in line with FRS 102 and are materially correct. confirming that spend on the project has been correctly classified.

Significant audit risk	Audit response
<p>Investment Property Transactions (Bridge House Estates and City's Cash)</p> <p>The Corporation holds a significant portfolio of investment properties. These investments bring about associated risks including that of disclosure, accounting and revaluation.</p> <p>Given the high values associated with investment property transactions, they carry a higher risk of material misstatement.</p>	<p>Our work will include:</p> <ul style="list-style-type: none"> agreeing property valuations to external and city surveyor's supporting documentation. review of movements in year and discussions with surveyors to ensure they are in line with expectations of the market. review of supporting documentation to assess and agree the accounting treatments and disclosures made in the financial statements.

5.3 Other risk factors

Further to the identification of significant audit risks, we have also identified risk factors which could potentially result in material misstatements. We do not propose, at this stage, to undertake specific audit procedures in response to these perceived risks. We will continue to monitor these areas during the year and adapt our audit approach as necessary.

Risk factor	Audit response
<p>Crossrail contribution (City's Cash)</p> <p>The 2015-16 City's Cash accounts recognised a commitment in the financial statements, with expected payment in the 2018-19 and 2019-20 financial years.</p>	<p>Our work will include:</p> <ul style="list-style-type: none"> discussion with officers and review of supporting documentation to assess and agree the accounting treatments and disclosures made in the financial statements; and reviewing and considering the disclosures made in the financial statements to ensure that they remain appropriate and in line with FRS 102 and are materially correct.
<p>Non-Property Investment Transitions (Bridge House Estates)</p> <p>We understand that the City of London Corporation has made a further fund manager change during the 2016-17 year. Namely, the GMO mandate has been replaced with Majedie and Lindsell Train.</p>	<p>Our work will include:</p> <ul style="list-style-type: none"> discussion with officers and review of supporting documentation to assess and agree the accounting treatments and disclosures made in the financial statements; and confirming that the transactions pre-and post-transfer are accounted for appropriately.

We will review the other accounting systems and management controls only as far as we consider necessary to perform an effective audit. As a result, our review may not detect all deficiencies or all improvements that could be made. Where we do uncover any significant deficiencies or weaknesses we will report these to you, with our recommendations for improvements.

6 Audit timetable, fees & our team

6.1 Audit timetable

The timetable set out in this section has been agreed in discussion with management during audit planning. Those dates with an asterisk are still to be confirmed.

Item		Timing	Responsibility
All Funds and Entities			
Audit planning meeting		10 January 2017	All
Audit planning visit (5 days fieldwork)		w/c 20 February 2017	Moore Stephens
Audit planning report presented to the Audit and Risk Management Committee		7 February 2017	Moore Stephens
Interim audit visit (5-8 days fieldwork)		w/c 20 March 2017	Moore Stephens
Delivery of the 2015-16 Accounts to Moore Stephens	Sundry and Other Trusts	26 May 2017	City of London Corporation
	Bridge House Estates	9 June 2017	
	Open Spaces	15 June 2017	
	City’s Cash	28 July 2016	
Final audit visit commences	Sundry and Other Trusts	5 June 2017	Moore Stephens
	Bridge House Estates	12 June 2017	
	Open Spaces	19 June 2017	
	City’s Cash	31 July 2017	
All Funds and Entities			
Final audit completion meeting with management	Bridge House Estates, Open Spaces, Sundry and Other Trusts	19 July 2017	All
	City’s Cash	31 August 2017	
Members Briefings on Accounts	Bridge House Estates, Open Spaces, Sundry and Other Trusts	13 July 2017	City of London Corporation
	All funds and entities	w/c 25 September 2017*	
Audit Review Panel Meeting		w/c 4 September 2017*	Audit Review Panel
Audit Review Panel meeting with the Chamberlain		w/c 18 September 2017*	City of London Corporation
Audit and Risk Management Committee to consider Annual Report and Accounts and Audit Completion Reports		2 October 2017	City of London Corporation
Finance Committee to approve the accounts		24 October 2017	City of London Corporation
Chamberlain signs accounts		24 October 2017	Chamberlain
Signed accounts delivered to Moore Stephens for Audit Certificates to be signed		w/c 30 October 2017	Moore Stephens

7.2 Audit fee

The fee for the 2016-17 of the of the bodies covered by this document was agreed following a tender process and amounts to £115,000.

Completion of our audit in line with the timetable and fee is dependent upon:

- City of London Corporation delivering a complete Annual Report and Accounts of sufficient quality that have been subject to appropriate internal review on the date agreed;
- City of London Corporation delivering good quality supporting evidence and explanations within the agreed timetable; and
- Appropriate City of London Corporation staff being available during the audit.

If significant issues arise and we are required to perform additional work which would result in a change in our fee, we will discuss this with you as soon as possible.

7.3 Key audit staff

Moore Stephens Partner	Nick Bennett Tel: 020 7651 1805 E-mail: nick.bennett@moorestephens.com	Nick will have overall responsibility for the audit opinions on Bridge House Estates, City's Cash, City's Cash Trusts and Sundry Trusts and other accounts, and for the City of London contract with Moore Stephens LLP. Nick will attend Audit & Risk Management Committee meetings as appropriate.
Moore Stephens Associate Director	Lucy Nutley Tel: 020 7651 1530 E-mail: lucy.nutley@moorestephens.com	Lucy will have overall responsibility for the audits of all entities but be responsible specifically for the audits of City's Cash and City's Cash Trusts. Lucy along with Tharshiha will be the main day-to-day contact with finance staff. She will manage the on-site audit staff, review audit working papers and be responsible for resolving key audit issues. Lucy will attend Audit & Risk Management Committee meetings as appropriate.
Moore Stephens Manager	Tharshiha Thayabaran Tel: 020 7651 1523 E-mail: tharshiha.thayabaran@moorestephens.com	Tharshiha will be responsible for the audits of Bridge House Estates and Sundry Trusts and other accounts. Tharshiha along with Lucy will be the main day-to-day contact with finance staff. She will manage the on-site audit staff, review audit working papers and be responsible for resolving key audit issues.

7.4 Confirmation of independence

The Financial Reporting Council's Ethical Standard, requires that as external auditors, we ensure that the Audit and Risk Management Committee is appropriately informed on a timely basis of all significant facts and matters that bear upon the auditors' objectivity and independence.

We confirm that we will comply with the Ethical Standard throughout our audit and that, in our professional judgement, there are no relationships between our firm and the City of London Corporation which need to be brought to your attention because they may impact on the independence and objectivity of the audit team.

Appendix 1 – Entities Covered by the Plan

The list of entities which are covered by this document are included in the table below. We have included in the table income, surplus/deficit and net assets from the 2015-16 accounts along with our initial assessment of materiality. Materiality has been calculated based on either the net assets of the entity or incoming resources and will be revisited as part of our final audit of the financial statements.

Activities (Taken from 2015-16 Accounts)	Income £'000	Surplus/ (Deficit) £'000	Net Assets £'000	Indicative Materiality £'000
Bridge House Estates	87,100	41,900	1,183,500	3,300
City's Cash	131,800	184,900	2,311,000	13,000 3,000 (I&E)*
City's Cash Trusts				
Ashted Common Preservation of the common at Ashted	498	-	-	7
Burnham Beeches and Stoke Common Preservation of the Open Space know as Burnham Beeches	931	(17)	786	14
Epping Forest Preservation of Epping Forest in perpetuity	5,807	(275)	7,920	94
Hampstead Heath Preservation of Hampstead Heath for the recreation and enjoyment of the public	17,421	6,778	42,140	129
Highgate Wood and Queens Park Kilburn Preservation of the Open Space known as Highgate Wood and Queens Park Kilburn	1,418	(50)	381	22
Sir Thomas Gresham Charity Provision of Almshouses and public lectures at Gresham College	64	(1)	150	2
West Ham Park Preservation of the open space known as West Ham Park	1,681	(5)	36	25
West Wickham Common and Spring Park Coulsdon & Other Commons Preservation of West Wickham Common and Spring Park Wood, and Coulsdon and Other Commons	1,285	33	107	19
Sundry Trusts				
Ada Lewis Winter Distress Fund Providing relief and support during winter months	7	(5)	252	5
Charities Administered ICW the City of London				
Freemen's School Promotion of education through prizes	12	(4)	168	3
City Educational Trust Fund Advancement of education through grants	126	(161)	3,432	69

Activities (Taken from 2015-16 Accounts)	Income £'000	Surplus/ (Deficit) £'000	Net Assets £'000	Indicative Materiality £'000
Sundry Trusts (continued)				
City of London Almshouses Almshouses for poor or aged people	395	85	1,621	33
City of London Corporation Combined Education Charity Advancing education by the provision of grants and financial assistance	38	(61)	1,038	21
City of London Corporation Relief of Poverty Charity Relief of poverty for widows, widowers or children of a Freeman of the City of London	4	(12)	141	3
City of London Freeman's School Bursary Fund Promotion of education through bursaries	65	(14)	792	16
City of London School Bursary Fund Promotion of education through bursaries, scholarships and prizes	189	(29)	3,454	69
City of London School Education Trust Advancing education	7	-	6	1
City of London School Girls Bursary Fund Promotion of education through bursaries, scholarships and prizes	556	(456)	3,463	60
Corporation of London Charities Pool Investments pool for Sundry Trusts	1,263	(994)	21,704	435
Emmanuel Hospital Payment of pensions and financial assistance to poor persons	82	(96)	2,268	45
Guildhall Library Centenary Fund Provision of education and training in library, archives, museum, and gallery services	1	1	23	1
Hampstead Heath Trust To meet a proportion of the maintenance cost of Hampstead Heath	1,322	(1,815)	28,909	591
Keats House Maintenance of Keats' House	477	(12)	189	7
King George's Field Open space for sports, games and recreation	14	-	-	1
Samuel Wilson's Loan Trust Granting of low interest loans to young people who have or are about to set up in business	72	(42)	2,125	43

Activities (Taken from 2015-16 Accounts)	Income £'000	Surplus/ (Deficit) £'000	Net Assets £'000	Indicative Materiality £'000
Sundry Trusts (continued)				
Signore Pasquale Favale Bequest Granting of assistance to eligible persons in the form of marriage portions	-	-	13	1
Sir William Coxen Trust Fund Granting of assistance to eligible charitable trusts in the form of donations	115	(60)	2,502	53
Vickers Dunfee Memorial Benevolent Fund Financial assistance to distressed past and present members of the CoL Special Constabulary and their dependents	6	(3)	201	4

* City's Cash holds significant property and managed investments, which form the largest part of the balance sheet. We consider that the balance sheet is of primary interest to the reader of the financial statements (Members of the City of London Corporation) and therefore consider that £13m is a suitable value for materiality. While the balance sheet is of primary interest to the reader of the financial statements, we consider that a misstatement at the level of materiality of £13m, or even at half the level of materiality above, would be highly material to the income and expenditure account and therefore of greater interest to the reader of the accounts. Therefore, we will apply a materiality level to income and expenditure transactions of a lower value to reduce the risk of material misstatements.