Public Document Pack

Audit and Risk Management Committee

APPENDIX PACK

Date: **MONDAY, 16 JANUARY 2023**

Time: 10.00 am

Venue: **COMMITTEE ROOMS, GUILDHALL**

6. **2021-22 CITY'S CASH FINANCIAL STATEMENTS**

Report of the Chamberlain.

For Decision
(Pages 3 - 412)

7. **BRIDGE HOUSE ESTATES ANNUAL REPORT AND FINANCIAL STATEMENTS 2021/22**

Report of the Bridge House Estates & Charities Finance Director (representing The Chamberlain) and the Managing Director, Bridge House Estates

For Decision
(Pages 413 - 476)

8. **SUNDRY TRUSTS ANNUAL REPORT AND FINANCIAL STATEMENTS 2021/22**

Report of the BHE & Charities Finance Director (representing the Chamberlain).

For Decision
(Pages 477 - 732)

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Appendix 1 - City's Cash consolidated - Comparison with Budget on a Committee Basis

2021/22 Budget v Outturn - City's Cash Summary by Committee						
Net Expenditure (Income)	**Budget Net**	**Outturn**	**Variation (Better)/Worse**			
			Total	**Local Risk**	**Central Risk**	**Support Services**
	£m	**£m**	**£m**	**£m**		**£m**
Culture, Heritage & Libraries	0.4	0.5	0.1	0.1	0.0	0.0
Education Board	3.1	3.1	0.0	0.0	0.0	0.0
Finance	42.9	28.6	(14.3)	0.1	(12.7)	(1.7)
G. P. Committee of Aldermen	4.0	4.2	0.2	0.3	(0.1)	0.0
Guildhall School of Music and Drama	13.2	13.9	0.7	0.6	0.0	0.1
Markets	0.7	0.4	(0.3)	(0.5)	0.1	0.1
Open Spaces :-						
Open Spaces Directorate	0.0	0.0	0.0	(0.1)	0.0	0.1
Epping Forest and Commons	7.6	7.2	(0.4)	(0.4)	(0.1)	0.1
Hampstead, Queen's Park and Highgate	6.4	6.0	(0.4)	(0.4)	0.0	0.0
Bunhill Fields	0.6	0.4	(0.2)	(0.1)	0.0	(0.1)
West Ham Park	1.2	1.2	0.0	(0.1)	0.0	0.1
Policy and Resources	20.6	17.3	(3.3)	(0.2)	(3.2)	0.1
Property Investment Board	(48.6)	(43.7)	4.9	1.2	4.7	(1.0)
Schools :-						
City of London School	1.7	1.7	0.0	(0.1)	0.1	0.0
City of London Freemen's School	1.3	1.6	0.3	(0.2)	0.5	0.0
City of London School for Girls	1.2	0.8	(0.4)	(0.5)	0.1	0.0
City of London Junior School	0.4	0.2	(0.2)	(0.2)	0.0	0.0
Deficit (Surplus) from (to) reserves	**56.7**	**43.4**	**(13.3)**	**(0.5)**	**(10.6)**	**(2.2)**

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CITY'S CASH
ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS

	Page
Annual Report	1
Approval of the Annual Report and Financial Statements	15
Independent Auditor's Report	16
Consolidated Statement of Comprehensive Income	19
Consolidated Statement of Financial Position	20
Consolidated Statement of Changes in Equity	21
Consolidated Statement of Cash Flows	21
Statement of Significant Accounting Policies	22
Notes to the Consolidated Financial Statements	30
Further Information	58



Annual Report

1. Introduction

The City is a key driver of the economy, generating nearly

£70bn

in economic output annually, or 3.5% of all UK Gross Added Value.

Yet, the City only accounts for **0.001%** of the UK's size.



City's Cash is not a legal entity; it is a fund of the City of London Corporation (the City Corporation) that can be traced back to the 15th century and has built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a return that:

- Enables the City Corporation to provide services (detailed in section 6) that are of importance to the City and Greater London as well as nationally and internationally.
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 as issued by the Financial Reporting Council. The City Corporation publishes the City's Cash Annual Report and Financial Statements and a City's Cash Overview every year to provide further transparency on its activities.

2. Administrative Details

Registered Address	Guildhall, London, EC2P 2EJ
Chief Executive	The Town Clerk of the City of London
Treasurer	The Chamberlain of London
Solicitor	The Comptroller and City Solicitor
Auditor	Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW
Bank	Lloyds Bank PLC
Fund Managers	Ares Management LLC Artemis Investment Management LLP Baillie Gifford & Co C WorldWide Fund Management SA Coller International Partners VII LP Crestview Partners LLC CQS Environmental Technologies Fund Manager LLP Exponent Private Equity LLP Frontier Capital IFM Global Infrastructure (UK) LP Lindsell Train Ltd M&G Investment Management Ltd Majedie Asset Management Ltd (renamed LionTrust Ltd from 01/04/2022) Natixis International Funds (Harris Associates) New Mountain Capital LLC Pyrford International PLC Ruffer LLP SL Capital Partners LLP (a subsidiary of Aberdeen Standard Life Investments group) Veritas Asset Management LLP Warburg Pincus LLC Wellington Management International YFM Equity Partners Ltd

3. Other City of London Corporation Funds

This annual report and the financial statements only cover City's Cash. A second fund, City Fund, covers the City's activities as a local authority, police authority and port health authority. It's financial statements are published separately.

The City Corporation is also the sole trustee of Bridge House Estates (BHE), a long-standing charity which maintained the original London Bridge, funded by bridge taxes, rents and private bequests. BHE now maintains five bridges, Tower, London, Southwark, Millennium and Blackfriars. With effective management of the funds over the centuries, BHE's funding arm, City Bridge Trust, now distributes surplus income that is not required for the long-term management and protection of the five bridges.

The annual report and financial statements for BHE are also published separately.

The annual report and financial statements of City Fund and Bridge House Estates are available on the City of London Corporation's website at https://www.cityoflondon.gov.uk/about-us/budgets-spending.



4. Corporate Strategy

The City of London Corporation's Corporate Plan 2018-23 sets the strategic framework for the delivery of our services. Everything we do contributes to one or more elements of the Plan. We have three aims - to contribute to a flourishing society, support a thriving economy and shape outstanding environments -- which in turn are broken down into 12 outcomes (shown below).



1. People are safe and feel safe.

2. People enjoy good health and wellbeing.

3. People have equal opportunities to enrich their lives and reach their full potential.

4. Communities are cohesive and have the facilities they need.

5. Businesses are trusted and socially and environmentally responsible.

6. We have the world's best legal and regulatory framework and access to global markets.

7. We are a global hub for innovation in finance and professional services, commerce and culture.

8. We have access to the skills and talent we need.

9. We are digitally and physically well-connected and responsive.

10. We inspire enterprise, excellence, creativity and collaboration.

11. We have clean air, land and water and a thriving and sustainable natural environment.

12. Our spaces are secure, resilient and well maintained.

Our Corporate Plan provides the 'golden thread' enabling us to align everything we do through our corporate strategies, service level business plans, team plans and staff appraisal forms to the aims and outcomes we have identified. We are committed to strengthening the character, capacity and connections to the City, London and the UK for the benefit of residents, workers, learners and visitors.
We aim to do this by being relevant, responsible, reliable and radical, acting strategically and at pace in order to ensure everyone can share in the benefits we aim to create. This means that we must be open to unlocking the full potential of our many assets – our people, heritage, green and urban spaces, funds, data and technology – and working with stakeholders and partners who share our aims. Our strategies help us to deliver this ambition, including:

- Climate Action Strategy 2020-2027: commits the City Corporation to net zero emissions in its operations by 2027 and encourages others to follow our lead across the Square Mile by 2040.
- Transport Strategy 2019-2044: provides a 25-year framework for future investment in and management of the City's streets, as well as measure to reduce the social, economic and environmental impact of motor traffic and congestion.
- Social Mobility Strategy 2018-28: committing us to bridge and reduce the social and economic divides that may be experienced by people during their lifetime, by maximising and promoting social mobility within businesses, organisations, central and local government and educational and cultural institutions.

Development of the new City of London Corporation Corporate Plan is underway under the direction of the new Chief Strategy Officer, appointed in 2021.

5. Governance Arrangements

Workforce

The City Corporation as a whole employs approximately 4,000 people in full and part-time positions across all its services. The make-up of the workforce is summarised below:

Gender:
Male: 50.1%
Female: 49.9%

Age:
Under 25: 3.8%
25-34: 19.8%
35-44: 25.3%
45-54: 25.1%
55-64: 22.4%
65 and over: 3.6%

Declared disability:
Yes: 4.1%

Ethnicity:
White: 65.1%
BAME: 17.1%
Not Known: 17.8%



Equality, diversity and inclusion

At the City Corporation, it is our vision to build and support strong, sustainable, and cohesive communities and develop a workforce that is diverse and representative of all sections of society. We will accomplish this by ensuring our policies, processes, service delivery and employment practices promote equality of opportunity, are inclusive and engender trust, not just because it will make our organisation stronger, but because it is the right thing to do.

Our Equality and Inclusion Board and Corporate Services Committee provide strategic direction on equality, diversity, and inclusion, and ensure compliance with the Public Sector Equality Duty contained in the Equality Act 2010. The City Corporation has increased its activity in the Equality, Diversity and Inclusion (EDI) over recent years, including setting up the Tackling Racism Taskforce and formation of numerous employee networks. The City Corporation is committed to finding ways to ensure the organisation is inclusive and able to sustain a welcoming and safe environment where differences are celebrated and valued.

The quarterly update reports considered by the Corporate Services Committee and further information on the City Corporation's Equality and Diversity strategy and objectives together with the Equality and Inclusion Annual Report can be found on the website using the links below.

Corporate Services Committee – https://democracy.cityoflondon.gov.uk/mgCommitteeDetails.aspx?ID=253.

Equality and Inclusion – https://www.cityoflondon.gov.uk/about-us/plans-policies/equality-inclusion.

City's Cash is managed by committees of the City Corporation, with Membership of the committees drawn from the 25 Members of the Court of Aldermen and the 100 Members of the Court of Common Council. Members of the Court of Aldermen and Court of Common Council are elected by registered voters (both residents and businesses) within the City of London. In determining appointments to committees, the Court of Aldermen and Court of Common Council will take into consideration our EDI policy mentioned above as well as expertise and knowledge of the Aldermen and Members.

The decision-making processes and financial stewardship of the City of London Corporation are set out in Standing Orders and Financial Regulations respectively. The Standing Orders are available on the City Corporation's website at http://democracy.cityoflondon.gov.uk/ecSDDisplay.aspx?NAME=Standing%20Orders&ID=645&RPID=0 and the Financial Regulations are available at https://www.cityoflondon.gov.uk/assets/About-us/financial-regulations-2021.pdf. Details of our committees are available at https://democracy.cityoflondon.gov.uk/mgListCommittees.aspx?bcr=1.

The City Corporation has established formal Risk Management arrangements which include the development and maintenance of corporate, departmental, and service risks, their regular review by departmental senior management and

reported to the relevant Grand/Service Committee. These arrangements are subject to annual review by the Audit and Risk Management Committee and have continued to operate effectively.

The Audit and Risk Management Committee continued to play an important and integral part in ensuring that our most important risks were reviewed through regular risk updates and deep dive reviews of corporate risks. The Committee also reviewed the Chief Officer informal risk challenge process, it was decided that, having been highly effective in developing the risk management culture, this would operate on an exception basis from April 2022.

The Audit and Risk Management Committee also oversees the City's Internal Audit process, reviewing the findings of completed Audit work. The Internal Audit programme of work includes the systematic follow-up in respect of audit recommendations made; reporting on the effectiveness and timeliness of their implementation, in order to mitigate risks identified through Internal Audit reviews.

6. Activities of City's Cash

Investment funds allow the City Corporation to provide services that:

- Are of national benefit through its strategic aim to support and promote The City as the world leader in international financial and professional services.

- Are of importance to Greater London and its environs as well as to the City itself, for example: work in surrounding boroughs supporting education, training and employment opportunities; numerous green spaces; wholesale markets providing fish (Billingsgate) and meat (Smithfield); independent schools (City of London School, City of London School for Girls and City of London Freemen's School); sponsoring Academies across London; and the Guildhall School of Music & Drama (GSMD).

Education



Expenditure £101.7m, income £86.2m, net expenditure £15.5m (2020/21: expenditure £99.1m, income £74.2m, net expenditure £24.9m)

City's Cash operates three fee paying schools – City of London School, City of London School for Girls (all in the Square Mile), and the City of London Freemen's School (in Surrey). They regularly feature among the UK's top performing schools. In each of these institutions, City's Cash provides academic bursaries, including matched funding for monies raised externally by the schools, to support able students from disadvantaged backgrounds.

The Guildhall School of Music & Drama is owned and managed by the City Corporation with funding from City's Cash. It is an internationally renowned conservatoire; based in the Barbican, it has over 900 students in higher education, drawn from nearly 60 countries around the world, and is currently regulated by the Office for Students (OfS), in line with other higher education institutions.

The City Corporation's Education Board is responsible for reviewing the Education Strategy and making recommendations to committees and the Court of Common Council (the City Corporation's main decision-making body) as appropriate on the delivery of the City Corporation's vision and strategic objectives in this area. The Board has responsibility for distributing funds allocated to it for educational purposes. In addition, it is responsible for the City Corporation's role as an Academy school sponsor.

Markets

Expenditure £16.9m, income £11.0m, net expenditure £5.9m (2020/21: expenditure £18.5m, income £10.5m, net expenditure £8.0m)

The City Corporation runs three wholesale food markets, two of which – Billingsgate and Smithfield – are funded by City's Cash, with New Spitalfields Market being accounted for in the City Fund. Market tenants pay rent and service charges, which are calculated on a commercial basis. These charges cover the costs of operation, administration and those repairs which are attributable to the tenants. At Billingsgate, buyers can choose from the largest selection of fish in the UK and the market has an annual throughput of more than 22,000 tonnes. Meat has been bought and sold at Smithfield for over 800 years with around 150,000 tonnes of meat passing through its magnificent Grade II* listed surroundings each year. Following a Strategic Review of the City's three wholesale markets, in 2018 the City Corporation approved in principle the proposal to explore moving the three wholesale markets from their current locations to a single new site. Work to appraise various options is currently being carried out.

Open Spaces (Natural Environment)



Expenditure £24.1m, income £6.7m, net expenditure £17.4m (2020/21: expenditure £23.1m, income £4.5m, net expenditure £18.6m)

The City Corporation is Trustee of 8 charities which manage and run open spaces across 11 London Boroughs and four District Councils. These charities, which include Hampstead Heath, Epping Forest, Highgate Wood, West Ham Park and Burnham Beeches, help shape outstanding environments by managing approximately 11,000 acres of historic, ecologically diverse open space.



Every year millions of people visit our open spaces. Some of the sites have been owned and managed since as far back as 1870 and, through its role as Trustee and principal funder of each charity, the City Corporation continues to enhance, protect and conserve these assets. All of the asset and activities of these charities are consolidated within the City's Cash accounts by virtue of this relationship between each charity and the City Corporation as Trustee.

The open spaces contribute to a sustainable London, providing environmental benefits through their effects on negating urban heat, offsetting greenhouse gas emissions and mitigating storm water damage. The charities manage areas which include internationally recognised Sites of Special Scientific Interest, Special Areas of Conservation and National Nature Reserves. They provide important ecosystems and wildlife habitats including rare and endangered species. The open spaces help people to enjoy good health and well-being enabling people to access nature, interact socially, relax or take part in a wide range of physical activities from swimming to football, golf to horse riding.

Within these charities there are outstanding heritage spaces and buildings, such as Kenley Airfield and the Pergola on Hampstead Heath, for people to experience and enjoy. Keats House is also a charity of which the City Corporation is Trustee (included within these accounts in full through its relationship with the City Corporation) and other assets like The Monument are managed by the City Corporation directly and funded through City's Cash. These assets showcase the nation's history and culture. Ancient woodlands, ponds and historic landscapes enable visitors to learn, discover and understand the value of our heritage and the natural environment.

City Representation

Expenditure £15.1m, income £1.2m, net expenditure £13.9m (2020/21: expenditure £13.7m, income £0.9m, net expenditure £12.8m)

This expenditure supports the City Corporation's core objective to promote UK-based financial services and related professional services at home and abroad. The Rt Hon Lord Mayor heads the City of London Corporation and is also an international ambassador for the UK's financial and professional services sector. Together with other leading members of the City Corporation he makes sure that the City's interests are reflected in local and national policy. The Lord Mayor's overseas visits programme, that usually amounts to around 90 days abroad each year, fosters trade and develops relationships at the highest levels of government and industry.

During the Pandemic, the vast majority of the programme has been conducted virtually. However, as we are now emerging from the Pandemic, the Mayoral programme has a more standard format, with more physical trips overseas, and set piece events taking place at Mansion House. During the Keaveny Mayoral year (to March 2022), trips including the Republic of Ireland, Spain, Portugal, USA, Mexico, Qatar and Oman have taken place, alongside a Virtual China trip. Mansion House was able to host the usual Show Day hospitality in November 2021, with some other events resuming in 2022, including the Livery Academy Awards and the bi-annual Archbishops & Bishops dinner.

Mansion House is the official residence of the Lord Mayor as the head of the City Corporation and the base for Mayoral activities. City's Cash funds official receptions, banquets, meetings and general hospitality carried out by the



City Corporation (as well as the overall running costs of Mansion House and the team based there).

Other important responsibilities include support for the City Corporation's many and varied civic activities, maintaining the Mayoralty's close ties with livery companies and supporting responsible business and charitable organisations. The Lord Mayor is supported by two Sheriffs who are elected each year by the City Livery Companies. They advise the Lord Mayor on matters important to the City, help with hosting visiting dignitaries and occasionally travel with the Lord Mayor on his business visits. They also look after the Judges at the Old Bailey and make sure that the court's business runs smoothly.

The Remembrancer is one of the City Corporation's four Law Officers and is responsible for the maintenance and protection of the City's constitution. He is the City's Parliamentary Agent, the Parliamentary Agent for The Honourable The Irish Society and the City Corporation's Chief of Protocol. The Office acts as a channel of communication between Parliament and the City. In the contemporary context, this means day to day examination of Parliamentary business including examination of and briefing on proposed legislation and amendments to it, regular liaison with the Select Committees of both Houses and contact with officials in Government departments dealing with Parliamentary Bills.

The Remembrancer's Office also organises much of the hospitality referred to above including responsibility for the Lord Mayor's Banquet and elements of the Lord Mayor's Show Day at Guildhall and the Royal Courts of Justice. Income is generated from lettings at the Mansion House and the Guildhall.

Innovation and Growth

Expenditure £7.5m, income £0.5m, net expenditure £7.0m (2020/21: expenditure £7.6m, income £0.5m, net expenditure £7.1m)

Our Innovation and Growth team focusses on supporting a thriving economy. It works to strengthen the City's competitiveness and status as a world-class

innovative place to do business, while enhancing the economic potential of London and the financial and professional services sector more widely.

Supported by overseas offices in Brussels, China and India paid for by City's Cash, it engages with decision-makers in the UK and abroad to ensure that City firms have the best legal and regulatory framework, as well as access to global markets. The Innovation and Growth team forms coalitions to drive the development of the innovative products and services which serve the needs of businesses and citizens, and champions action on key global trends and risks such as climate change. As an example, the team leads our ambitious Climate Action Strategy which aims to work closely with businesses and residents to reach net zero in the Square Mile by 2040.

The Lord Mayor and Chair of the Policy and Resources Committee lead international business delegations and host high-level visits from international partners in politics and business to promote export opportunities for UK financial and professional services firms and attract inward investment from global partners.

To further maximise its impact, the Innovation and Growth team helps City firms access talent and skills and promote an environment where new businesses and approaches can flourish. It also makes the case for responsible business among City firms and spreads best practice as good business benefits the whole UK economy.



Management and Administration

Expenditure £8.8m, income £nil, Net Expenditure £8.8m (2020/21: expenditure £9.0m, income £nil, Net Expenditure £9.0m)

These costs primarily relate to support provided to Members and both central and service departments including an apportionment of Guildhall Complex premises expenses; City's Cash external audit fees; treasury management; and depreciation charges in respect of the City's Cash share of capital projects relating to the Guildhall Complex, information systems and other corporate priorities.

Grants and Other Activities

Expenditure £30.0m, income £0.5m, net expenditure £29.5m (2020/21: Expenditure £9.4m, income £1.9m, net expenditure £7.5m)

A number of grants are made from City's Cash each year, through the Central Grants Programme, promoting initiatives across a wide range of charitable causes in London. The Central Grants Programme has three City's Cash funding themes:

- Stronger Communities
- Enjoying Green Spaces and the Natural Environment
- Inspiring London through Culture

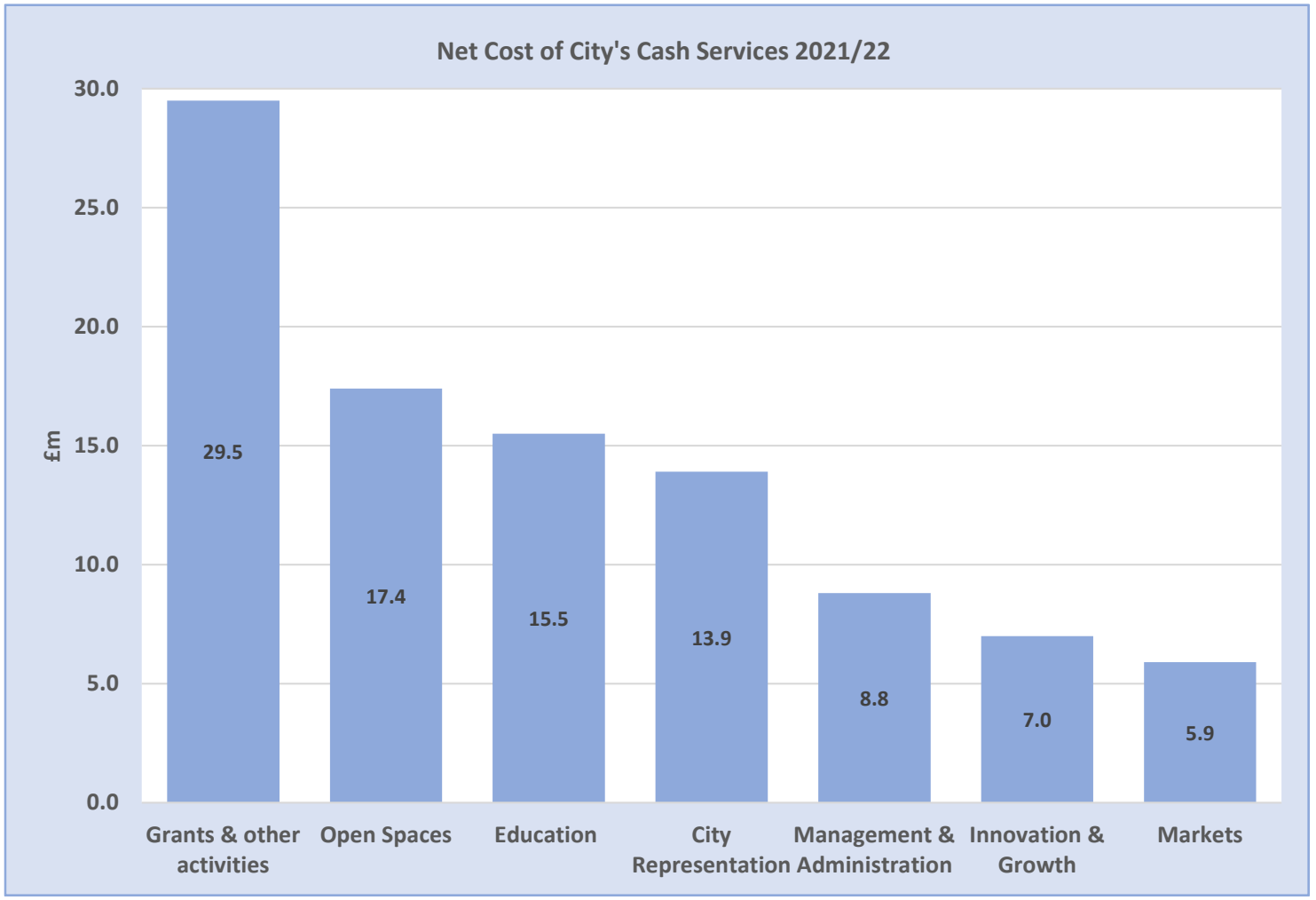
In addition, grants are made to emergency organisations to assist with the relief of national and international disasters. During 21/22 the City Corporation also enacted a one-off Covid-19 recovery grant scheme to support businesses in the Square Mile to bounce back from the pandemic. This scheme totalled £10m and is largely the reason for the increased spend in this area compared to the prior year.

The City Corporation owns and maintains the Monument through City's Cash. This 202ft high building attracts over 200,000 visitors a year, braving its 311 steps to enjoy breath-taking views of the City and beyond. It was built between 1671 to 1677 and was designed by Sir Christopher Wren and Robert Hooke to commemorate the Great Fire of London in 1666.

7. Financial Review

The net cost of the services and activities funded by City's Cash in 2021/22 is shown opposite. The Consolidated Statement of Comprehensive Income shown on page 19 is summarised overleaf. This records an operating surplus of £72.8m (2020/21: operating surplus of £40.2m), which is £32.6m higher than the previous year and is comprised of a number of movements which are explained on page 11. After the operating surplus, the Statement records gains from the sale of fixed assets of £58.3m (2020/21: loss from the sale of fixed assets of £0.3m), loan financing costs of £9.2m (2020/21 £6.0m), an increase in the deferred taxation liability against Barking Power Limited of £15.8m (2020/21: an increase of £2.9m) and an actuarial gain of £77.2m on defined benefit pension schemes (2020/21: an actuarial loss of £97.1m).

Overall, there was comprehensive income of £183.3m for the year (2020/21: comprehensive expenditure of £66.1m).



	2022 Income £m	2022 (Expenditure) £m	2022 Net income / (expenditure) £m	2021 Income £m	2021 (Expenditure) £m	2021 Net income / (expenditure) £m
Service / activity						
Education	**86.2**	**(101.7)**	**(15.5)**	74.2	(99.1)	(24.9)
Investments - property and managed funds	**65.4**	**(29.6)**	**35.8**	76.6	(42.5)	34.1
Markets	**11.0**	**(16.9)**	**(5.9)**	10.5	(18.5)	(8.0)
Open Spaces	**6.7**	**(24.1)**	**(17.4)**	4.5	(23.1)	(18.6)
City Representation	**1.2**	**(15.1)**	**(13.9)**	0.9	(13.7)	(12.8)
Innovation and Growth	**0.5**	**(7.5)**	**(7.0)**	0.5	(7.6)	(7.1)
Grants and other activities	**0.5**	**(30.0)**	**(29.5)**	1.9	(9.4)	(7.5)
Management and Administration	**-**	**(8.8)**	**(8.8)**	-	(9.0)	(9.0)
Net Pension Scheme Costs	**-**	**(35.8)**	**(35.8)**	-	(34.9)	(34.9)
Operating deficit before gain / (loss) in fair value of investments*	**171.5**	**(269.5)**	**(98.0)**	169.1	(257.8)	(88.7)
Gain / (loss) in fair value of:						
property investments			**101.8**			(98.1)
non-property investments			**69.0**			227.0
Operating surplus / (deficit)*			**72.8**			40.2
Profit on sale of fixed assets			**58.3**			(0.3)
Loan financing (costs)			**(9.2)**			(6.0)
Surplus / (deficit) before taxation			**121.9**			33.9
Taxation			**-**			-
Deferred taxation			**(15.8)**			(2.9)
Surplus / (deficit) for the year			**106.1**			31.0
Other comprehensive income						
Actuarial (loss) / gain on defined benefit pension schemes			**77.2**			(97.1)
Total comprehensive income / (expenditure)			**183.3**			(66.1)

* Volatility in operating surplus for the financial year – FRS102 requires the gain or loss in fair value of property and non-property investments to be included in the Consolidated Statement of Comprehensive Income (page 19). This means that even relatively small movements in the markets from one year to the next can produce large volatility in the operating surplus or deficit in the Consolidated Statement of Comprehensive Income.

The favourable movement in the operating position of £32.6 m, from a surplus of £40.2m in 2020/21 to a surplus of £72.8m in 2021/22, is largely due to:

- The fair value from property investments increasing from a loss of £98.1m in 2020/21 to a gain of £101.8m in 2021/22, a favourable movement of £199.9m. This gain reflects a combination of yield compression and rental growth across the portfolio driven by a recovery in the West End retail market following the pandemic, increasing demand for Grade A office space in Central London and a shortage of supply within Greater London industrial. In addition, there was a gain in the value of land at Barking Power Station.

- Net expenditure on education decreasing by £9.4m from £24.9m in 2020/21 to £15.5m in 2021/2, this is largely due to increased income as discounts were no longer being offered to pupils at the City's three independent schools and at Junior Guildhall as the schools returned from virtual tuition to being back in the classroom.

Net expenditure on Markets reducing by £2.1m from £8.0m in 2020/21 to £5.9m in 2021/22, because of the costs of a project at Smithfield Market being incurred in 2020/21 and not in 2021/22. In addition, there were reductions in direct employment costs due to there being several vacant posts and some staff taking up the option of flexible retirement. Other factors which contributed to the reduction included the release of bad debt provisions no longer required, lower levels of water consumption incurring a reduced charge and lower expenditure on the buildings repairs and maintenance. This was partly offset by an increase in energy costs because of rising prices and an increase in refuse collection costs.

- Net income relating to investments increasing by £1.7m, from £34.1m in 2020/21 to £35.8m in 2021/22, mainly due to a £9.8m movement in the bad debt provision adjustment from 2020/21 to 2021/22, which reflect the decrease in debt on investment properties compared to the previous year. Other factors that have driven this increase are a combination of tenants in payment plans paying down their debts, COVID rent free periods being granted and the utilisation of rent deposit to reduce arrears. This has been largely offset by the reduction of rental income due to the granting of rent-free periods, a move to turnover rents and a reduction in geared ground rent as a result of the Covid pandemic.

- Net expenditure on Open Spaces reducing by £1.2m from £18.6m in 2020/21 to £17.4m in 2021/22, largely due to increased income following the continued recovery from the pandemic.

Partly offset by:

- The gain in the fair value of non-property investments of £69.0m being £158.0m lower than the gain of £227.0m in 2020/21. The reduced gain follows the significant recovery in investment values in the prior year following the negative impact on asset values from the Coronavirus (COVID-19) pandemic.

- An increase in net expenditure against grants and other activities of £22.0m, from £7.5m in 2020/21 to £29.5m in 2021/22. This is largely due to the City's Covid-19 recovery grant scheme for Square Mile SMEs and an increase in grant funding for major projects.

- Net pension scheme costs increasing by £1.8m, from £34.0m in 2020/21 to £35.8m in 2021/22. This is due to an increase in interest on pension scheme liabilities, service costs, which is offset by an increase in the return on pension scheme assets, a reduction in losses on settlements and curtailments during 2021/22, and an increase in employer contributions.

- An increase in net expenditure against City Representation of £1.1m from £12.8m in 2020/21 to £13.9m in 2021/22. There was an increase in activities due to the relaxation of travel and hospitality restrictions that followed from the continuing recovery from the pandemic.

After the operating surplus of £72.8m (2020/21: surplus of £40.2m) it can be seen that there was a profit on the disposal of fixed assets of £58.3m (2020/21: loss of £0.3m), an increase of £58.6m on the previous year. In addition, there were loan financing costs of £9.2m (2019/20: £6.0m), an increase of £3.2m on the previous year. This increase is due to the City Corporation receiving the remaining £200m from the £450m loan it has agreed to support the funding of the major capital projects it is undertaking.

Following the increase in deferred taxation of £15.8m (2020/21: £2.9m) relating to Barking Power Limited due to a change in the taxation rate from 19% to 25% and an actuarial gain on defined benefit pension schemes of £77.2m (2020/21: a loss of £97.1m), City's Cash reserves have increased overall by £183.3m (2020/21: decrease in reserves of £66.5m) from £2,628.1m to £2,811.4m.

City of London Pension Scheme

The estimated share of the net liability in the City of London Pension Scheme is included in the City's Cash accounts. The City's Cash share of the deficit is 46% (2020/21: 46%) which equates to £383.0m at 31 March 2022 (£424.4m at 31 March 2021).

City's Cash does not have an exclusive relationship with the City of London Pension Fund and the proportion of the Pension Fund relating to City Corporation employee members engaged on City's Cash activities is not separately identifiable.

However, although the Pension Fund net deficit cannot be attributed precisely between the City Corporation's three main funds, an apportionment of that deficit and inclusion in the respective balance sheets presents a fairer view of the funds' financial positions than if the deficit were to continue to be excluded. Accordingly, an apportionment has been made which is based on employer's annual contributions to the fund.

Further details of the City of London Pension Scheme can be found in note 18 to the financial statements.

Going Concern

The City Corporation considers City's Cash to be a going concern as set out in note b) of the Statement of Significant Accounting Policies.

Financial Commitments

The City Corporation has agreed a £50.0m contribution to Crossrail from City's Cash subject to the completion of the works; the timing of the payment has yet to be agreed. The agreement is an executory contract and therefore outside the scope of FRS102.

In addition, there are contractual commitments of £5.9m, this relates to £2.9m for the refurbishment of Smithfield Annexe, £1.7m for the refurbishment of St Lawrence Jewry Church, and £1.3m for tunnel lids at Smithfield Market.

Events After the Reporting Date

There are no material events after the reporting date.

Explanation of the Financial Statements

City's Cash financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS102) as issued by the Financial Reporting Council and consist of the following:

- Consolidated Statement of Comprehensive Income showing all income available and all expenditure incurred;
- Consolidated Statement of Financial Position setting out the assets, liabilities and funds of City's Cash;

- Consolidated Statement of Changes in Equity which includes the profit or loss for the period together with other recognised gains and losses and reconciles to the total movement in reserves;
- Consolidated Statement of Cash Flows showing the movement of cash for the year; and
- Notes to the financial statements explaining the accounting policies adopted and explanations of figures contained in the financial statements.

The following separate entities have been consolidated with City's Cash accounts:
Registered charities which are managed and funded by the City Corporation:

- Ashtead Common
- Burnham Beeches
- Epping Forest
- Hampstead Heath
- Hampstead Heath Trust
- Highgate Wood and Queen's Park Kilburn
- West Ham Park
- West Wickham Common, Spring Park Wood and Coulsdon and other Commons
- Sir Thomas Gresham Charity
- Keats House

- City Re Limited – a wholly owned subsidiary company whose principal activity is to provide re-insurance protection. The company is a limited company, limited by shares and is incorporated in Guernsey, registration number 52816. The Directors' Report and Financial Statements have been prepared in accordance with The Insurance Business (Bailiwick of Guernsey) Law, 2002, FRS102 and FRS103 "Insurance Contracts" and are available at https://www.cityoflondon.gov.uk/about-us/budgets-spending/statements-of-accounts . The company allows the City to share in underwriting profits with a known capped downside financial risk of £250,000 per claim.

- Barking Power Limited (company registration number 02354681) and Thames Power Services Limited (company registration number 02624730) – the Court of Common Council approved the purchase of these companies and the associated Barking Reach Power Station site, which was completed on 14 December 2018. The power station is not operational, and the City of London Corporation is remediating the site for future redevelopment. For this reason, the financial statements of Barking Power Limited and Thames Power Services Limited are prepared on a basis other than that of a going concern. However, the Directors of these two entities consider that no adjustments are required as a result of preparing the financial statements on a basis other than that of a going concern.

Disclosure of Information to the Auditor

At the date of approval of this report, the City Corporation confirms that:

- so far as it is aware, there is no relevant audit information of which the Auditor is unaware; and
- it has taken all the steps that it ought to have taken in order to make itself aware of any relevant audit information and to establish that the Auditor is aware of that information.

Responsibilities of the City of London Corporation for the Annual Report and Financial Statements

The City Corporation is responsible for preparing the Annual Report and Financial Statements for each financial year in accordance with applicable law and regulations. The City Corporation has elected to prepare the financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements would not be approved by the City Corporation unless it is satisfied that they give a true and fair view of the state of affairs of the organisation and of the surplus or deficit of the organisation for that period. In preparing these financial statements, the City Corporation has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;

- stated whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on the going concern basis.

The City Corporation is responsible for keeping adequate accounting records that are sufficient to show and explain the organisation's transactions and disclose with reasonable accuracy at any time the financial position of the organisation and enable it to ensure that the financial statements comply with applicable law and regulations. It is also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The City Corporation is responsible for the maintenance and integrity of the corporate and financial information included in its website.

Approval of the Annual Report and Financial Statements

At a meeting of the Finance Committee held at Guildhall on xx January 2023, the financial statements of City's Cash were approved on behalf of the Court of Common Council.

Henry Nicholas Almroth Colthurst
Chairman of Finance Committee

Randall Keith Anderson
Deputy Chairman of Finance Committee

Guildhall, London
xx January 2023

INDEPENDENT AUDITOR'S REPORT TO THE CITY OF LONDON CORPORATION

Opinion

We have audited the financial statements of City of London Corporation (the 'Corporation') fund, City's Cash for the year ended 31 March 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of City's Cash's affairs as at 31 March 2022 and of its surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that City's Cash's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on City's Cash's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Corporation with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

Responsibilities of the Corporation

As explained more fully in the Responsibilities of the City of London Corporation for the Annual Report and Financial Statements as set out on page 13, the Corporation are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Corporation determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including internal specialists. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which City's Cash operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the United Kingdom Accounting Standards (Financial Reporting Standard 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to City's Cash's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within City's Cash for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and Health and Safety Legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Corporation and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals,

reviewing accounting estimates for biases, sample testing of income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the Corporation, as a body, in accordance with the terms of our engagement letter date 18 July 2022. Our audit work has been undertaken so that we might state to the Corporation those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than City's Cash and the Corporation as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]
Crowe U.K. LLP
Statutory Auditor
London
[Date]



Consolidated Financial Statements

Consolidated Statement of Comprehensive Income for the year ended 31 March 2022

	Notes	2022 £m	2021 £m
Income			
Education		**86.2**	74.2
Investments - property and managed funds	1	**65.4**	76.6
Markets		**11.0**	10.5
Open Spaces		**6.7**	4.5
City Representation		**1.2**	0.9
Innovation and Growth		**0.5**	0.5
Grants and other activities		**0.5**	1.9
Total Income	1	**171.5**	169.1
Expenditure			
Education		**(101.7)**	(99.1)
Investments - property and managed funds	2	**(29.6)**	(42.5)
Markets		**(16.9)**	(18.5)
Open Spaces		**(24.1)**	(23.1)
City Representation		**(15.1)**	(13.7)
Innovation and Growth		**(7.5)**	(7.6)
Grants and other activities		**(30.0)**	(9.4)
Management and Administration		**(8.8)**	(9.0)
Net pension scheme costs	18c	**(35.8)**	(34.9)
Total expenditure	2 to 4	**(269.5)**	(257.8)
Operating deficit before gain / (loss) in fair value of investments		**(98.0)**	(88.7)
Gain / (loss) in fair value of property investments	6	**101.8**	(98.1)
Gain / (loss) in fair value of non-property investments	8	**69.0**	227.0
Operating surplus / (deficit)		**72.8**	40.2
Profit / (loss) on Sale of Fixed Assets		**58.3**	(0.3)
Loan financing costs	16	**(9.2)**	(6.0)
Surplus / (deficit) before taxation		**121.9**	33.9
Taxation	5	**-**	-
Deferred taxation	17	**(15.8)**	(2.9)
Surplus for the year		**106.1**	31.0
Other comprehensive income			
Actuarial gain / (loss) on defined benefit pension schemes	18c	**77.2**	(97.1)
Total comprehensive income / (expenditure) for the year		**183.3**	(66.1)

All amounts relate to continuing operations. The notes on pages 30 to 57 form part of these financial statements.

Consolidated Statement of Financial Position at 31 March 2022

	Notes	2022 £m	2021 £m
Fixed Assets			
Investment properties	6	**2,112.9**	1,991.2
Tangible assets	6	**296.2**	274.4
Heritage assets	7	**181.8**	181.6
Non-property investments	8	**990.6**	932.5
Intangible assets	9	**27.4**	31.5
Total Fixed Assets		**3,608.9**	3,411.2
Current Assets			
Stocks – finished goods	12	**0.4**	0.5
Debtors	10	**52.7**	55.4
Non-property investments	8	**184.1**	14.7
Cash at bank and in hand		**20.1**	16.3
Total Current Assets		**257.3**	86.9
Creditors: amounts falling due within one year	13	**(80.9)**	(68.8)
Net Current Assets		**176.4**	18.1
Total Assets less Current Liabilities		**3,785.3**	3,429.3
Deferred income	14	**(82.4)**	(82.8)
Finance leases	15	**(2.4)**	(2.4)
Long-term loans	16	**(449.0)**	(248.9)
Provisions for liabilities	17	**(57.1)**	(42.7)
Net Assets excluding pension liability		**3,194.4**	3,052.5
Defined benefit pension scheme liability	18,19	**(383.0)**	(424.4)
Net Assets		**2,811.4**	2,628.1
Capital and Reserves			
Operational Capital Reserve		**296.3**	274.7
Heritage Assets Reserve		**181.8**	181.6
Income Generating Fund		**3,314.9**	2,969.6
Working Capital Fund		**(149.6)**	(124.5)
Loan Fund		**(449.0)**	(248.9)
Pension Reserve		**(383.0)**	(424.4)
Total Capital Employed	19	**2,811.4**	2,628.1

Approved for issue xx January 2023

Caroline Al-Beyerty, Chamberlain and Chief Financial Officer



Consolidated Statement of Changes in Equity for the year ended 31 March 2022

	2022 £m	2021 £m
Capital Employed brought forward 1 April	**2,628.1**	2,694.2
Total comprehensive income	**183.3**	(66.1)
Capital Employed carried forward 31 March	**2,811.4**	2,628.1

Consolidated Statement of Cash Flows for the year ended 31 March 2022

	Notes	2022 £m	2021 £m
Cash flows from operating activities:			
Net cash used in operating activities	20a	**(103.1)**	(88.8)
Cash flows from investing activities:			
Net dividends, interest and rents from investments		**65.4**	33.4
Cash taken from / (invested in) short term deposits		**(168.2)**	122.7
Proceeds from the sale of property, plant and equipment		**58.3**	1.3
Purchase of property, plant and equipment		**(29.2)**	(33.1)
Proceeds from sale of investments		**113.8**	50.0
Purchase of investment properties and other investments		**(124.1)**	(90.8)
Net cash used in investing activities		**(84.0)**	83.5
Cash flows from financing activities:	20b	**190.9**	(5.9)
Increase/(Decrease) in cash in the year		**3.8**	(11.2)
Change in cash and cash equivalents in the reporting period		**3.8**	(11.2)
Cash and cash equivalents at the beginning of the reporting period		**16.3**	27.5
Cash and cash equivalents at end of year	20c	**20.1**	16.3



Statement of Significant Accounting Policies

The significant accounting policies applied in the preparation of these financial statements are summarised below. They have all been applied consistently throughout the year and to the comparative figures in dealing with items which are considered material in relation to the City's Cash financial statements.

a) **Basis of Preparation**

The City of London Corporation has chosen to prepare the City's Cash financial statements in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as issued by the Financial Reporting Council.

This Statement of Accounts is prepared for the City of London Corporation ("the City Corporation") only to the extent that it includes the economic activities such as education activities (operating 3 fee paying schools and The Guildhall School of Music & Drama); the operation of 2 wholesale food markets; managing and operating a number of open spaces across 11 London boroughs and 4 district councils; City of London representation; Innovation and growth activities; Management and administration activities; Grant making activities. Accordingly, the reporting entity, for the purpose of these accounts, is City's Cash which is a part of the City Corporation but is not in itself a legal entity. This means the legal party to transactions and balances relating to City's Cash is the City Corporation.

Assets, liabilities and transactions of the City Corporation are allocated to City's Cash and recognised in these financial statements where they relate to City's Cash's economic activities mentioned above. The basis of allocation of assets, liabilities and transactions to City's Cash (including income and expenditure) has been made on a consistent basis for many years and that basis is reported and explained in more detail within this statement of significant accounting policies, including accounting policy (z) Critical Accounting Judgements and Estimates, and within the notes to the consolidated financial statements where appropriate. The basis of allocations is periodically reviewed to confirmed that this basis of allocating shared income and expenditure, and assets and liabilities, remain appropriate. The method of allocation applied to major classes of assets and liabilities, and income and expenditure, are explained within the separate accounting policies below.

b) **Going Concern**

In the opinion of the City Corporation, City's Cash is a going concern as it annually receives considerable income from its property and non-property investments. This income is considered in the context of a rolling medium-term (circa 4-5 years) financial forecast to ensure that services are affordable and sustainable. Cash and liquid investments are monitored and maintained at a level to ensure that sufficient resources are available to finance any in-year deficits. City's Cash activities are discretionary therefore provide flexibility to alter activities in line with resources available.

c) **Consolidation**

The City's Cash financial statements consolidate the financial results of the services provided directly, including ceremonial, schools and markets; City Re Ltd. a wholly-owned subsidiary of the City Corporation whose principal activity is to provide re-insurance protection and is included as part of management and administration activities in City's Cash; trust funds in respect of seven open spaces, the Sir Thomas Gresham Charity, Keats House; and Barking Power Limited and Thames Power Services Limited. The latter two companies represent a power station that is located on a site which the City Corporation intends to remediate and decontaminate for future redevelopment and is part of City's Cash innovation and growth activities. In the case of charities and trusts, the rationale for consolidation is that the City Corporation is the sole Trustee and thereby exercises operational control over their activities, but specifically through its City's Cash fund due to this fund providing the majority of each charity's funding.

d) **Income and Expenditure**

City's Cash financial statements include only those activities of the Corporation relating to its services as set out paragraph (a). The majority of City's Cash's income generated from services relates specifically to City's Cash's defined activities. Similarly, some expenditure incurred relates to defined City's Cash activities. However, the Corporation also incurs central running costs for staff and overheads for all Funds and an appropriate allocation of these costs is charged to each fund. The principal basis of allocating these costs include an estimation of time spent by staff on the activities of each fund and the other running costs and overheads are

allocated by reference to the floor space used by staff supporting the activities of each Fund.

The accounts of City's Cash are maintained on an accrual basis. Consequently, activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the significant risks and rewards of ownership are transferred to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to City's Cash. This is usually at the point the purchaser has signed for the delivery of the goods.
- Revenue from education is recognised in the Statement of Comprehensive Income when City's Cash is entitled to the income, which is the period in which the student is studying. Tuition fees received in advance of the financial year are deferred in the Statement of Financial Position. Where the amount of the tuition fee is reduced by a discount, income receivable is shown net of the discount. Non-refundable payment such as application fee and registration fees are recognised when received.
- Rental income is recognised on a receivable basis and at the date stated on the lease terms. Rent received in advance of the financial year are deferred in the Statement of Financial Position.
- Investment income and income from other provision of services is recognised on the Statement of Comprehensive Income on a receivable basis.
- Whether paid on account, by instalments or in arrears, government grants and third party contributions and donations for purposes other than capital expenditure (see note 1 - Income) are recognised as income at the date that the conditions of entitlement to the grant/contribution are satisfied, when there is reasonable assurance that the monies will be received and the expenditure for which the grant is given has been incurred. Where a grant or contribution has been received but the conditions of entitlement have not been satisfied, the grant or contribution is treated as a receipt in advance. Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as stocks on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments is accounted for as income on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.
- Financial assets are derecognised when the contractual rights to the cash flows from the assets expire, or when City's Cash has transferred substantially all the risks of and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.
- Finance costs consist of the interest payable on borrowings.

e) **Deferred Income**

Lease premiums relating to operating leases are treated as deferred income and released to revenue over the life of the lease (see note n: Leases).

f) **Tangible Fixed Assets – Operational Properties, Infrastructure, Vehicles, Plant and Equipment**

These are assets held and used for the direct delivery of services. They are carried at historic cost* less depreciation on a straight-line basis to write off their costs over their estimated useful lives (*this only includes assets acquired since 2000 as earlier historic cost information is not available). Depreciation is charged from the year following that of acquisition. Where the effects of major additions and disposals in the year are material, depreciation charges will be adjusted accordingly. Land is not depreciated.

Typical asset lives are as follows:

Buildings and any other component elements within those buildings	10 to 50 years

Plant and machinery (including the following):	
Plant	10 to 20 years
Furniture and equipment	3 to 15 years
Vehicles	3 to 10 years

Assets costing less than £50,000 are generally charged to the Consolidated Income and Expenditure Account in full in the year of purchase, although assets which cost less than £50,000 individually may be grouped together and capitalised.

g) **Tangible Fixed Assets – Freehold investment properties**

These are assets held to earn rental income and/or for capital appreciation which are revalued annually to fair value as at 31 March. City's Cash Investment Property valuation was £2,071.2m at 31 March 2022 (2020/21: £1,991.2m). Gains or losses arising from changes in the fair value of investment property are included in the Consolidated Statement of Comprehensive Income.

De-Recognition

The carrying amount of an item of property, plant and equipment is derecognised:

- on disposal, or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from de-recognition of an asset is the difference between the net disposal proceeds, if any, and the carrying amount of the asset. The gain or loss arising from de-recognition of an asset is included in the Consolidated Statement of Comprehensive Income.

h) **Assets under construction**

Payments made to contractors for works completed to date are included within fixed assets pending the asset being recognised as operational. No depreciation is charged on such assets.

i) **Impairments**

An impairment loss arises if the carrying amount of an asset exceeds its recoverable amount. This could be caused by such factors as a significant decline in an asset's value during the period (i.e. more than expected as a result of the passage of time, normal use or general revaluation), evidence of obsolescence or physical damage of an asset, a commitment to undertake a significant reorganisation, a significant adverse change in the statutory or other regulatory environment or restitution of heritage assets if found to have been previously stolen. An annual assessment takes place as to whether there is any indication that property assets may be impaired.

An impairment loss on investment property is treated as a revaluation movement which is included in the Consolidated Statement of Comprehensive Income.
An impairment loss on operational assets or heritage assets is recognised in the Consolidated Statement of Comprehensive Income. The reversal of an impairment loss on operational or heritage property, previously recognised in the Consolidated Statement of Comprehensive Income, will not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

j) **Heritage Assets**

City's Cash heritage assets largely comprise art and sculpture treasures are accounted for at cost less impairments, or where cost cannot be readily identified, on the basis of available information, as a proxy for cost.

As heritage assets have indeterminate lives and potentially high residual values, no depreciation is charged. All expenditure on subsequent preservation, conservation, accessibility, etc. is charged directly to the Consolidated Statement of Comprehensive Income.

k) **Financial Assets and Liabilities**

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102. Basic financial instruments included cash, debtors and creditors, and investment in non-derivative financial instruments, any other financial instrument other than those list are classified as 'other'. All financial instruments held by City's Cash are basic financial instruments.

l) **Non-Property Investment Assets**

Non-property investment assets are held in accordance with the investment policy set by the City of London Corporation. FTSE 100 Company investments are valued at the Stock Exchange Trading System (SETS) price at close on 31 March of the relevant year. Other quoted investments are valued at the middle market price at the close of business on 31 March. Unquoted investments consist of private equity and infrastructure funds. Private equity funds are valued based on comparable valuation of similar companies in accordance with international private equity valuation guidelines, and infrastructure funds are valued based on discounted cashflows applied to equity and debt instruments.

Short term non-property investments are investment held with maturity dates less than one year and are mainly held as part of the portfolio strategy i.e. the fund manager usually holds a level of cash as a part of their short-term strategy. They are not held as short-term commitments i.e. they are not normally held for any pending trades and are not held as a part of the long term holding timeline.

In respect of short term investments and cash, whilst each fund, including City's Cash, maintains a cash book for its own cash transactions and balances, the cash balances are pooled across the City Corporation for treasury management purposes. Cash balances either held in the City Corporation's bank accounts or invested are allocated to City's Cash in proportion to its cash book share of cash balances and short term investments. Investment income on cash balances and investments are allocated to the City's Cash based on the share of the City's Cash cash book of the total cash balances and investments.

Non-property investment assets have been accounted for at 'fair value through the statement of comprehensive income'.

Income generated by non-property investment assets remains within the fund to be reinvested, with City's Cash drawing down income (realising gains or losses) as required. As a consequence, the operating surplus or loss within the Consolidated Statement of Comprehensive Income includes the gain or loss in fair value on all non-property investments.

m) **Intangible Assets**

Intangible assets comprise:

- Goodwill on the purchase of Barking Power Limited and Thames Power Services Limited, which is recognised as the excess of the cost of their acquisition over the net amount of its the identified assets and liabilities. The purchase goodwill is gain from the land value of the power station sites, which has unlimited useful economic life, FRS102 requires this kind of goodwill to be amortised over 10 years, which is the maximum useful economic life of these assets under the standard.
- Computer systems and software licences which are capitalised at cost and reflected within the financial statements at amortised historic cost. Amortisation is calculated by allocation of the balance sheet value of the asset, less any residual value, to the periods expected to benefit from its use on a straight-line basis over 3 to 7 years. Amortisation charges are charged to service revenue accounts.

n) **Leases**

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance Leases

City's Cash as Lessee

The City of London recognises property, plant and equipment held under finance leases as assets at the commencement of the lease at amounts equal to its fair value and, where material, liabilities at the lower of the present value of the minimum lease payments or the fair value of the property. The asset recognised is matched by a liability for the obligation to pay the lessor. Minimum lease payments are apportioned between a finance charge (interest) and a reduction of the outstanding liability. The finance charge element is allocated to revenue and is calculated so as to produce a constant periodic rate of interest on the remaining balance of the liability. Where liabilities are immaterial, a liability is not recognised, and the full rental is charged to revenue over the term of the lease.

City's Cash as Lessor

Amounts due from lessees under finance leases are recorded in the Consolidated Statement of Financial Position as a debtor at the amount of the net investment in the lease. The lease payments receivable is apportioned between repayment of the debtor and finance income. The finance income is credited to revenue and calculated so as to give a constant periodic rate of return from the net investment. The asset is written out of the Consolidated Statement of Financial Position as a disposal. A gain, representing the net investment in the lease is credited to income and the difference shown as a gain or loss on disposal. Where the lessee acquires the asset through payment of a premium at the commencement of the lease, this is included as a capital receipt and there is no remaining finance lease asset.

Operating leases

City's Cash as lessee

Rentals payable are charged to revenue on a straight-line basis even if the payments are not made on such a basis unless another systematic and rational basis is more representative of the benefits received.

City's Cash as lessor

Assets subject to operating leases are included in the Consolidated Statement of Financial Position according to the nature of the assets. Rental income from operating leases, excluding charges for services such as insurance and maintenance, are recognised on a straight-line basis over the period of the lease, even if the payments are not received on this basis (e.g. due to lease incentives, premiums, etc), unless another systematic and rational basis is more representative of the time pattern in which the benefits derived from the leased asset are diminished.

Lease Incentives

Benefits received and receivable as an incentive to sign a lease are spread on a straight-line basis over the lease term in accordance with FRS102.

Where rent concessions have been granted because of the Covid-19 pandemic, these have included the forgiveness of a portion of or all lease payments for an agreed period (i.e. a temporary rent reduction or rent holiday). These concessions have been recognised over the periods that the charge relate to, in accordance with amendments to FRS102 issued in October 2020.

o) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the City. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits or service potential has become probable. If it becomes probable that an outflow of future economic benefits or service potential will be required for an item previously dealt with as a note to the accounts, a provision is recognised in the financial statements for the period in which the change in probability occurs (except in circumstances where no reliable estimate can be made). Where a contingent liability exists, but a reliable estimate cannot be made, a note is disclosed in the accounts unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

p) **Loans**

Loans to City's Cash are recognised in the Statement of Financial Position initially at fair value less loan transaction costs which are capitalised to the loan account. Using the amortised cost and effective interest method, loan transaction costs and interest are allocated to the Consolidated Statement of Comprehensive Income over the life of the loan.

q) **Provisions**

Provisions are made where an event has taken place that gives the City a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation. For instance, the City may be involved in a court case that could eventually result in the making of a settlement or the payment of compensation. Provisions are charged as an expense to the Consolidated

Statement of Comprehensive Income in the year that the City becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Consolidated Statement of Financial Position. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed. Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the City settles the obligation.

r) **Cash and cash equivalent**

Cash and cash equivalent comprises funds repayable to the City Corporation without penalty on notice within 24 hours, less cheques and BACS payments issued but not presented, and investments with maturity of three months or less.

s) **Stocks of Finished Goods**

Stocks of finished goods are valued at the lower of cost or net realisable value.

t) **Pension Costs**

Non-Teaching Staff

The City Corporation operates a funded defined benefit pension scheme for its staff employed on activities relating to its three funds (i.e. City Fund, City's Cash and Bridge House Estates). The scheme is based on final salary and length of service on retirement. Changes to the Scheme came into effect from 1 April 2014 and any benefits accrued from this date will be based on career average revalued earnings, with various protections in place for those members in the Scheme before the changes took effect.

The Pension Fund is the responsibility of the City of London as a whole, which is one employer, and not the responsibility of any of its three funds. City's Cash does not have an exclusive relationship with the City of London Pension Fund. Although the proportion of the Pension Fund that relates to City Corporation employee members engaged on City's Cash is not separately identifiable, a share of the total Pension Fund net deficit has been allocated to City's Cash based on a three year average of the percentage of employer's pension contributions paid into the Fund by City's Cash as a proportion of total employer's contributions paid.

For the defined benefit scheme, the amounts charged in expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Consolidated Statement of Comprehensive Income if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on the assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The assets of the scheme are held separately from those in City's Cash and are invested by independent fund managers appointed by the City Corporation. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis by a qualified actuary using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after net assets on the face of the Consolidated Statement of Financial Position.

As an employer participating in the Scheme, the City Corporation's estimated share of the net deficit is the responsibility of the City Corporation as a whole. The Corporation and its three funds have a policy in place to share the net defined benefit cost of the pension fund across the three funds. As such City's Cash recognises the apportioned net defined benefit cost along with a share of scheme assets and scheme liabilities.

Pension Costs – Teachers

The payment of pensions to former teachers is the responsibility of the Teachers' Pension Scheme (the Scheme). Consequently, teachers' pension fund contributions, together with the employer's contributions, are paid by the City of

London to the Scheme. The Scheme is a multi-employer defined benefit statutory scheme administered in accordance with the Teachers' Pension Scheme Regulations 2014.

The Scheme is funded on a notionally funded basis – no actual assets back the liabilities but a notional Fund is constructed for the purposes of setting employer contributions. Contributions are set every four years as a result of the actuarial valuation of the Scheme by the Government Actuary's Department on behalf of the Secretary of State.

As it is not possible to identify the assets and liabilities at individual employer level, this scheme has been accounted for as a defined contribution scheme where employee and employer contributions are accounted for only.

u) **Statutory Deductions from Pay**

The City of London Corporation accounts centrally for salary and wage deductions. Consequently, the City's Cash accounts treat all sums due to the HMRC as having been paid.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the Consolidated Statement of Financial Position date and the gains or losses on translation are written on / off to revenue account.

w) **Tax**

The City of London Corporation is a single legal entity and legislation treats it as a local authority for tax purposes. VAT is recovered from HMRC on supplies received and paid to HMRC on supplies made. All transactions are therefore included without VAT. The City of London Corporation is exempt from income and corporation tax.

City Re Limited, a wholly-owned subsidiary of the City of London Corporation in its City's Cash capacity, conforms to the tax requirements for Guernsey companies.

Barking Power Limited and Thames Power Limited are both subject to corporation tax, which comprises current and deferred tax. Corporation tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax, with the exception of deferred tax assets that are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

x) **Overheads**

The costs of support service overheads, except for expenditure on corporate and democratic activities, are generally apportioned between all services on the basis of employee time spent. Similarly, except for vacant properties, the costs of support service buildings are allocated based on space occupied by each service.

y) **Reserves**

A number of reserves are held as endowment funds or restricted funds received by the City Corporation for specified purposes. These are held in the Working Capital Fund, which is shown in note 19.

z) **Critical Accounting Judgements and estimates**

In applying accounting policies, the Corporation has to make certain judgements and estimates about complex transactions or those involving uncertainty about future events. The estimates and associated assumptions are continually reviewed and are based on historical experience and other factors including expectations of future

events that are considered to be reasonable under the circumstances. The judgements and estimates that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

(i) ***Pension Benefits***

Estimation of the net liability to pay pensions depends on several factors such as the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries has been engaged to provide the City Corporation with expert advice about the assumptions to be applied. The total Pension Fund net deficit has been allocated to City's Cash based on a three year average of the percentage of employer's pension contributions paid into the Fund by City's Cash as a proportion of total employer's contributions paid.

The effect of changes in individual assumptions on the net pension's liability can be measured but are complex and interact in a complex manner. For example, the actuary determines the appropriate discount rate at the end of each year after taking account of the yield from a high quality bond of appropriate duration, a 0.1% decrease in the discount rate assumption would result in an increase in the pension liabilities of £19.6m. Other key assumptions for pension obligations are based in part on current market conditions and demographic data. Additional information on pension schemes is given in note 18 on pages 44 to 48.

(ii) ***Valuation of Investment Properties***

The carrying values of investment properties are primarily dependent on judgements of such variables as the state of the markets, location, condition of the properties/assets, indices etc. Valuation for investment properties is calculated in accordance with "RICS Valuation – Global Standards 2020" together with the UK National Supplement (the "RICS Red Book"). The valuations apply market capitalisation rate to future rental cash flow with reference to data from comparable market transactions with assessment of the security of income. Valuers are required to consider the conditions that existed as at the balance sheet date.

(iii) Short term investments and cash and cash equivalents

Whilst each fund maintains a cash book for its own cash transactions and balances, the cash and cash equivalent balances are pooled across the Corporation for treasury management purposes. The balances held in the City Corporation's bank accounts or invested in money market funds, deposits and investments from surplus cash are allocated to City's Cash in proportion to its cash book share of cash and cash equivalent balances and short-term investments. Investment income on these balances is allocated to City's Cash based on its share of the total cash and cash equivalent balances and investments.

(iv) ***Other assets and liabilities***

Where the Corporation incurs central running costs for staff and overheads for all Funds and an appropriate allocation of these costs is charged to each Fund, a corresponding asset or liability is recognised on the same basis by City's Cash.



Notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

1. Income

Investment Income
Investment income relating to property and non-property investments comprises:

	2022 £m	2021 £m
Rentals, service charges and dilapidations income	**61.3**	72.1
Dividends from non-property investments and interest on fund balances	**4.1**	4.5
Total investment income	**65.4**	76.6

Note: rent receivable in 2021/22 in respect of operating leases was £50.4m (2020/21: £58.1m).

Education Income
Includes tuition fees, grants, donations and charges for the use of facilities.

Markets Income
Markets income includes rent and service charges from tenants and charges for the use of facilities.

Open Spaces Income
Income from government grants, other grants and donations and fees for the use of facilities.

Other Income
Other income from government grants of £0.4m (2020/21: £0.7m) was received from the Coronavirus Job Retention Scheme, relating to staff who were furloughed due to the Covid-19 pandemic. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

2. Expenditure

Investment Management Costs

Expenses relating to property and non-property investments comprise:

	2022 £m	2021 £m
Property investment expenses	**23.3**	36.2
Non-property investments - management fees paid to fund managers	**6.3**	6.3
Total Investment Management Costs	**29.6**	42.5

Property investment expenses comprise staff costs, repairs and maintenance costs, property running costs and professional fees relating to the management of the investment property portfolio.

Depreciation

The operating deficit is stated after charging depreciation amounting to £7.4m (2020/21: £7.8m).

Operating Lease Rentals

During the year of account City's Cash spent £0.9m on operating lease rentals in respect of premises (2020/21: £0.8m).

Auditor's remuneration

Remuneration to the external auditor, Crowe U.K. LLP, for audit services relating to the year of account for the City's Cash consolidated financial statements including the audit of the individual charities consolidated within City's Cash but excluding the audit Barking Power Ltd and Thames Power Services Ltd (whose audit fees are disclosed separately in those financial statements) amounted to £118,500 (2020/21: £175,000 was payable to the auditors BDO LLP inclusive of 2019/20 overrun cost of £14,000). No other fees were payable to Crowe U.K. LLP

for non-audit services during the year (2020/21: no other fees were payable to the auditors BDO LLP).

Members' expenses

In 2021, the Court of Common Council introduced an annual, flat rate allowance for Members, which is based on the City Corporation's rate for inner-London Weighting paid to its staff. The allowance is optional and is intended to recompense Members for the duties they undertake on behalf of the City Corporation, while also enabling those who choose not to claim from the scheme to maintain their status as volunteers. During the year, £80,000 in remuneration from City's Cash was claimed for Members undertaking their duties (2020/21: nil, as the scheme was not yet in place).

Members may also claim travelling expenses in respect of activities outside the City and receive allowances in accordance with a scale when attending a conference or activity on behalf of the City Corporation. These costs totalling £8,664 (2020/21: £237) across all of the City's activities.

Staff numbers and costs

Staff employed by the City Corporation work on a number of the City Corporation's activities. The table overleaf sets out the number of full-time equivalent staff charged directly to City's Cash services and their remuneration costs. In addition, the table includes an apportionment of time spent and costs of support service staff attributable to City's Cash services.

Number of employee full time equivalents	2022 FTE	2021 FTE
Investment properties	**15.0**	15.5
Education	**800.9**	755.4
Markets	**88.3**	89.4
Open spaces	**280.2**	313.5
City representation	**70.0**	70.7
Grants and other activities	**41.7**	8.1
Support Services	**203.6**	206.2
Total	**1,499.7**	1,458.8

Employee remuneration	Gross Pay £m	National Insurance £m	Pensions £m	2022 £m	2021 £m
Investment Management	**0.8**	**0.1**	**0.2**	**1.1**	1.2
Education	**44.8**	**4.5**	**8.9**	**58.2**	56.9
Markets	**3.3**	**0.3**	**0.6**	**4.2**	4.3
Open spaces	**9.7**	**0.9**	**1.8**	**12.4**	14.4
City representation	**3.2**	**0.3**	**0.6**	**4.1**	4.3
Grants and other activities	**2.2**	**0.3**	**0.5**	**3.0**	0.7
Support Services	**10.0**	**1.0**	**1.7**	**12.7**	12.4
Total	**74.0**	**7.4**	**14.3**	**95.7**	94.2

4. Remuneration of senior employees

The number of staff earning more than £50,000 in aggregate in bands of £10,000 is set out in table 1 overleaf. The City Corporation considers its key management personnel to comprise of the Members of the City of London Corporation and senior officers excluding Chief Officers. Their remuneration are details in Table 2.

Table 1 - Remuneration in Bands				
Salary Range	Wholly charged to City's Cash		Partially Charged to City's Cash	
£	**2022**	2021	**2022**	2021
50,000 - 59,999	**113**	114	**223**	206
60,000 - 69,999	**111**	106	**128**	121
70,000 - 79,999	**38**	25	**58**	53
80,000 - 89,999	**14**	15	**26**	24
90,000 - 99,999	**8**	7	**17**	7
100,000 - 109,999	**2**	1	**7**	7
110,000 - 119,999	**0**	0	**6**	7
120,000 - 129,999	**1**	1	**5**	6
130,000 - 139,999	**2**	2	**0**	2
140,000 - 149,999	**0**	0	**1**	1
150,000 - 159,999	**0**	1	**0**	1
160,000 - 169,999	**1**	1	**0**	0
170,000 - 179,999	**0**	1	**0**	0
180,000 - 189,999	**1**	0	**0**	0
200,000 - 209,999	**0**	0	**0**	0
230,000 - 239,999	**0**	0	**1**	1

Where there are no officers in a band, that band has not been included in the table.

To provide consistency with the disclosure in the City Fund Financial Statements, tables 2 and 3 set out voluntary information for 2021/22 and 2020/21 respectively in accordance with the Accounts and Audit Regulations 2015, applicable to the City Corporation.

Table 2 - 2021/22 remuneration for those senior employees which we disclose individually

Post Title	Name	Notes	Proportion charged to City's Cash activities where less than 100%	Salary chargeable to City's Cash (including fees and allowances)	Bonus	Expenses	Benefits in kind	Compensation for loss of office	Total Remuneration excluding pension contributions 2021/22	Pension Contributions	National Insurance Contributions	Total Remuneration including Pension Contributions 2021/22
			%	£000	£000	£000	£000	£000	£000	£000	£000	£000
Salary is £150,000 or more a year												
Town Clerk and Chief Executive	J. Barradell	*	40	106	-	-	87	-	193	22	14	229
Chamberlain (left April 2021)	P. Kane	*	35	13	-	-	-	21	34	1	3	38
Chamberlain	C. Al-Beyerty	*	35	61	-	-	-	-	61	13	8	82
Comptroller & City Solicitor	M. Cogher	*	25	45	-	-	-	-	45	9	6	60
City Surveyor	P. Wilkinson	*	45	71	9	-	-	-	80	17	11	108
Salary is between £50,000 and £150,000												
Head City of London School	-			146	-	-	63	-	209	39	19	267
Principal of the Guildhall School of Music & Drama (left Aug 21)	L. Williams			93	-	-	-	-	93	17	12	122
Principal of the Guildhall School of Music & Drama (left Aug 21)	L. Williams			93	-	-	-	-	93	17	12	122
Headmaster City of London Freemen's School	-			142	-	-	-	-	142	16	18	176
Headmistress City of London School for Girls	-			146	-	-	68	-	214	34	19	267
Director of Innovation and Growth	-	*	33	48	-	-	-	-	48	10	6	64
Chief Operating Officer (wef July 2021)	-	*	30	40	-	-	-	-	40	9	5	54
Remembrancer	-			135	-	-	-	-	135	-	17	152
Director of Markets & Consumer Protection (left Dec 21)	-	*	45	32	3	-	-	-	35	7	5	47
Director of Markets & Consumer Protection (wef Aug 21)	-	*	45	33	-	-	-	-	33	7	4	44
Total				1,204	12	-	218	21	1,455	218	159	1,832

* These officers provide services for the City of London Corporation's local authority and non-local authority activities. The remuneration included in tables 2 and 3 relates to the proportion charged to City's Cash activities. The annualised salary for each of these officers is shown in table 4.

Table 3 - 2020/21 remuneration for those senior employees which we disclose individually

Post Title	Name	Notes	Proportion charged to City's Cash activities where less than 100%	Salary chargeable to City's Cash (including fees and allowances)	Bonus	Expenses	Benefits in kind	Compensation for loss of office	Total Remuneration excluding pension contributions 2020/21	Pension Contributions	National Insurance Contributions	Total Remuneration including Pension Contributions 2020/21
			%	£000	£000	£000	£000	£000	£000	£000	£000	£000
Salary is £150,000 or more a year												
Town Clerk and Chief Executive	J. Barradell	*	40	106	3	-	94	-	203	23	14	240
Chamberlain	P. Kane	*	35	69	2	-	-	-	71	15	10	96
Executive Director Mansion House and Old Bailey	V. Annells	*	70	106	4	-	-	107	217	23	26	266
Principal of the Guildhall School of Music & Drama	L. Williams			190	-	-	-	-	190	40	25	255
Comptroller & City Solicitor	M. Cogher	*	25	44	-	-	-	-	44	9	6	59
City Surveyor	P. Wilkinson	*	45	71	11	-	-	-	82	17	11	110
Salary is between £50,000 and £150,000												
Head City of London School	-			138	-	-	69		207	37	18	262
Headmaster City of London Freemen's School	-			141	-	-	-	-	141	16	18	175
Headmistress City of London School for Girls	-			141	-	-	76	-	217	34	18	269
Remembrancer	-			135	-	-	-	-	135	1	17	153
Director of Markets & Consumer Protection	-	*	45	51	-	-	-	-	51	11	7	69
Director of Open Spaces	-	*	70	82	-	-	-	-	82	17	10	109
Total				1,274	20	-	239	107	1,640	243	180	2,063

* These officers provide services for the City of London Corporation's local authority and non-local authority activities. The remuneration included in tables 2 and 3 above relates to the proportion charged to City's Cash activities. The annualised salary for each of these officers is shown in table 4.

Table 4 - Annualised Salaries		
Post Title	**Annualised Salary 2022 £000**	Annualised Salary 2021 £000
Town Clerk and Chief Executive	**266**	264
Chamberlain (left April 21)	**37**	198
Chamberlain	**173**	-
Executive Director of Mansion House & Old Bailey	**-**	152
Comptroller & City Solicitor	**180**	174
City Surveyor	**159**	158
Chief Operating Officer (started July 21)	**133**	-
Director of Open Spaces	**-**	116
Director of Innovation and Growth	**146**	-
Director of Markets & Consumer Protection (left Dec 21)	**72**	114
Director of Markets & Consumer Protection (started Aug 21)	**74**	-

5. Tax Status

The City of London Corporation is a single legal entity and legislation treats it as a local authority for tax purposes. City Re Limited, a wholly-owned subsidiary of the City of London Corporation in its City's Cash capacity, conforms to the tax requirements for Guernsey companies. Barking Power Limited and Thames Power Limited are both subject to Corporation Tax and taxation of £1,356.79 was payable on activities for the year ended 31 March 2022 (2020/21: £1,656.35).

6. Investment properties and other tangible fixed assets

	Land and Buildings				
	Investment Properties (a) £m	**Freehold (b) £m**	**Plant & Machinery £m**	**Assets Under Const'n £m**	**Total £m**
Cost / Valuation					
At 1 April 2021	1,991.2	260.7	65.2	35.2	2,352.3
Additions	19.9	8.6	4.4	16.2	49.1
Revaluations	101.8	-			101.8
Disposals	-	-			-
Transfers	-	17.0	0.6	(17.6)	-
At 31 March 2022	**2,112.9**	**286.3**	**70.2**	**33.8**	**2,503.2**
Depreciation					
At 1 April 2021	-	(56.8)	(29.9)	-	(86.7)
Charge for the year	-	(5.3)	(2.1)	-	(7.4)
At 31 March 2022	**-**	**(62.1)**	**(32.0)**	**-**	**(94.1)**
Net book value					
At 1 April 2021	1,991.2	203.9	35.3	35.2	2,265.6
At 31 March 2022	**2,112.9**	**224.2**	**38.2**	**33.8**	**2,409.1**
Leased assets included above:					
Net book value					
At 1 April 2021	17.9	-	-	-	17.9
At 31 March 2022	**15.3**	**-**	**-**	**-**	**15.3**

Notes:

a) The External valuers value investment properties annually as at 31 March at market values determined in accordance with the RICS Valuation – Professional Standards (The Red Book).

b) All other tangible fixed assets are valued at historic cost less depreciation on a straight-line basis to write off their costs over their estimated useful lives and less any provision for impairment. Freehold land and buildings include items acquired since April 2000 based on depreciated historic cost. Consequently, some of the significant City's Cash operational assets (e.g. Mansion House, Guildhall Complex, Schools and Markets) are included at nil cost as they were generally acquired well before April 2000 and their original acquisition costs are no longer available. Subsequent expenditure on these assets is capitalised in line with accounting policies.

7. Heritage assets

Heritage assets are those with historical, artistic, scientific, technological, geophysical, or environmental qualities which are maintained principally for their contribution to knowledge and culture. They are mainly held in trust for future generations.

Arising from its status and history, within its City's Cash fund, the City holds numerous heritage assets primarily open spaces, art and sculpture, prints, drawings, and statues.

The City Corporation manages 11,000 acres of historic and natural green spaces across London and beyond, including Hampstead Heath and Epping Forest. Some of the sites have been owned and managed since as far back as 1870, protecting them from development and preserving them as a natural resource. They include important wildlife habitats, Sites of Special Scientific Interest, National Nature Reserves and outdoor space for sport, recreation, and enjoyment for the public.

The art and sculpture collection are maintained as a collection of art treasures worthy of the capital and includes a range of paintings documenting London's history. In addition, the City owns two heritage property assets, the Monument and Temple Bar, and two ancient copies of the Magna Carta.

For some of the heritage assets the cost of obtaining reliable valuations to recognise them on the Balance Sheet outweighs the benefit of such recognition to the users of the financial statements. Furthermore, many of the assets are irreplaceable and / or there is often no active market for their sale. For example, valuations are not readily available for the original acquisition of open spaces land and their associated buildings, Monument, Temple Bar, or the copies of the Magna Carta.

Nevertheless, the City's art and sculpture treasures, which represent the vast majority of the heritage assets, and open space land are recognised on the Consolidated Statement of Financial Position at a cost of £181.8m (2020/21: £181.6m) as shown in the table below. Due to policy, budgetary and legal constraints there have been no significant acquisitions or disposals in the last five years.

	2022 £m	2021 £m
Cost (a)		
At 1 April	**181.6**	181.7
(Write-off) / Additions (b)	**0.2**	(0.1)
Closing cost	**181.8**	181.6
Comprising:		
Art and sculptures	**180.7**	180.7
Open spaces	**1.1**	0.9
Total heritage assets	**181.8**	181.6

Notes:

a) The art works are included at cost or, where cost cannot be readily identified, on the basis of available information as a proxy for cost. Such information

includes art market intelligence in relation to similar works, insurance requirements and some individual valuations from independent experts. Sculptures were valued at replacement cost by independent experts Gurr Johns Limited.

b) The balance relates to revival work on open space of West Wickham and included at cost.

All expenditure on preservation and conservation is recognised in the Consolidated Statement of Comprehensive Income when it is incurred.

Catalogues are maintained for the heritage assets and most of them are available for public viewing. The statues and properties (the Monument and Temple Bar) can be seen and experienced from the public highway, treasures on display at the Guildhall Art Gallery can be visited by anyone free of charge and most of the other assets, sometimes held within restricted areas such as the Mansion House, can be viewed by publicly available organised tours or by appointment.

8. Non-property investment assets

Analysis of movement in non-property investment assets is shown in the following table. Further analysis of these investments is shown in note 11.

	2022 £m	2021 £m
Long-term non-property investments		
Total investments at 1 April	**932.5**	697.1
Add additions to investments at cost	**104.1**	61.5
Less disposals at market value	**(109.2)**	(46.0)
Less realised investments	**(4.6)**	(3.9)
Add gain / (loss) in fair value	**67.8**	223.8
Investments at 31 March	**990.6**	932.5
Short-term non-property investments		
Total investments at 1 April	**14.7**	133.5
Change in short-term deposits and money market funds*	**168.2**	(122.7)
Change in long term deposits	**1.2**	3.9
Investments at 31 March	**184.1**	14.7
Total investments as at 31 March are analysed between long-term and short-term investments as follows:		
Long-term	**990.6**	932.5
Short-term	**184.1**	14.7
Total investments at 31 March	**1,174.7**	947.2

Note: the £169.4m change in short-term deposits and money market funds in 2021/22 resulted largely from net investments during the year.

9. Intangible assets

	Technology systems £m	Goodwill £m	Total £m
Cost / Valuation			
At 1 April 2021	1.7	39.1	40.8
Additions / (disposals)	-	-	-
Transfers	-	-	-
At 31 March 2022	**1.7**	**39.1**	**40.8**
Amortisation			
At 1 April 2021	(1.5)	(7.8)	(9.3)
Charge for the year	(0.1)	(4.0)	(4.1)
At 31 March 2022	**(1.6)**	**(11.8)**	**(13.4)**
Net book value			
At 1 April 2021	0.2	31.3	31.5
At 31 March 2022	**0.1**	**27.3**	**27.4**

Technology systems:
During 2014/15, the City Corporation invested in an updated Oracle Business Intelligence system. This is recognised in the financial statements as an intangible asset on the basis of amortised historic cost at a value of £0.1m (2020/21: £0.2m).

- Goodwill:
  On 14 December 2018, Barking Power Limited and Thames Power Services Limited were purchased by The Mayor and Commonalty and Citizens of the City of London for a total sum of £130.3m. Goodwill of £39.1m represented the excess of the cost of their acquisition over the net amount of its identified assets and liabilities. This is amortised at a rate of £4.0m per annum over 10 years, which is the maximum useful economic life of these assets under FRS102.

10. Debtors

	2022 £m	2021 £m
Amounts falling due within one year		
Sundry debtors	**2.7**	5.1
School fees	**11.6**	4.3
Prepayments and accrued income	**6.5**	6.3
Rental debtors	**21.1**	29.7
VAT	**-**	1.8
Accrued interest	**3.1**	0.2
Current debtors	**45.0**	47.4
Amounts falling due after more than one year		
Rental debtors	**6.2**	6.5
Finance lease debtor	**1.5**	1.5
Long-term debtors	**7.7**	8.0
Total debtors	**52.7**	55.4

11. Nature and extent of Risks arising from Financial Instruments

The activities of City's Cash expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due.
- Liquidity risk – the possibility that there might not be enough funds available to meet commitments to make payments.
- Market risk – the possibility that financial loss might arise as a result of changes in factors that affect the overall performance of financial markets such as interest rates, stock market movements and foreign exchange rates.

The City of London Corporation has adopted The Chartered Institute of Public Finance and Accountancy (CIPFA)'s Treasury Management in the Public Service: Code of Practice. City Cash's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risks to our financial strategy

are managed by our central treasury team, under policies approved annually by the Court of Common Council in the Treasury Management Strategy Statement.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to customers. Deposits are only made with banks with a minimum Fitch (a leading credit rating agency) rating of long-term A and short-term F1 or are building societies with assets over £10bn (or which have a minimum credit rating score similar to that set for the banks). City's Cash also invests in Money Market Funds, which are subject to a minimum credit rating of AAA/mmf (Fitch) or equivalent. City's Cash also holds investments in two Short Dated Bond Funds. These financial instruments typically do not obtain their own standalone credit rating. Instead, the funds will invest in a wide variety of investment grade instruments, which the City Corporation actively monitors in terms of the fund's composition and credit quality of its underlying assets.

The creditworthiness of the counterparties on the City's Cash lending list is carefully monitored. The lending list is reviewed on a regular basis using advice from credit rating agencies and in-house judgements based partially on credit default swap rates. Security of the investments is the prime criteria when selecting investments with liquidity and yield being secondary and tertiary considerations. The lending limits attributable to HSBC, Barclays, Goldman Sachs International Bank, National Westminster Bank/Royal Bank of Scotland and Santander UK were maintained at maximum lending limits of £100m each during 2021/22, and Lloyds Bank was fixed at £150m (Lloyds being the City of London Corporation's banker). The lending limit for the Nationwide Building Society is £100m. The maximum duration for such loans is fixed at three years. The lending limits for the Yorkshire, Coventry, Skipton and Leeds Building Societies were maintained at £20m each and the duration for such loans is fixed at 1 year. The list also contains twelve foreign banks with individual limits of £100m with a maximum loan duration of three years. The included foreign banks are Australia and New Zealand Banking Group, National Australia Bank, Bank of Montreal, Royal Bank of Canada, Toronto-Dominion Bank, Helaba Bank (formerly Landesbank Hessen-Thueringen Girozentrale), Cooperatieve Rabobank, DBS Bank, United Overseas Bank, Skandinaviska Enskilda Banken, Swedbank, and Svenska Handelsbanken. The lending list also includes five highly rated money market funds (Aberdeen Sterling Liquidity Class L1 Fund, CCLA, Deutsche Liquidity Fund, Federated Hermes Liquidity Fund, and Invesco); three highly rated Ultra-Short Dated Bond Funds (Federated Hermes Sterling Liquidity Class L3 Plus Fund, Aberdeen GBP Liquidity Class L3 Fund and Payden Sterling Reserve Fund); and two Short Dated Bond Funds (Legal & General Short Dated Sterling Corporate Bond Index Fund and Royal London Investment Grade Short Dated Credit Fund). The City Corporation will also lend to other UK local authorities with a limit of £25m to any individual authority.

The maximum exposure of City's Cash to credit risk in relation to its investments in banks, building societies, local authorities and money market funds cannot be assessed generally, as the risk of any institution failing to make interest payments or failing to repay the principal amount borrowed would be specific to each individual institution. No credit limits were exceeded during the reporting period and City's Cash does not expect any losses from non-performance by any counterparty in relation to outstanding deposits. As at 31 March 2022, City's Cash had £185.1m in money market funds and short-term cash investments with a maturity of less than 365 days (31 March 2021: £14.7m).

Ageing of debts covered by the Bad Debt Provision	**31 March 2022 £m**	31 March 2021 £m
Less than three months	**1.1**	1.5
Three to six months	**0.7**	3.0
Six months to one year	**1.4**	3.2
More than a year	**2.1**	0.9
Total	**5.3**	8.6

Liquidity risk

Liquidity risk represents the risk that City's Cash will not be able to meet its financial obligations as they fall due. Officers monitor cash flows and take steps to ensure that there are adequate cash resources to meet commitments.

Market risk (Interest rate risk)

City's Cash is exposed to significant risk in terms of its exposure to interest rate movements on its investments. Movements in interest rates have a complex impact on City's Cash. For instance, a rise in interest rates would have the following effects:

- investments at variable rates – the interest income credited to the Income and Expenditure Account will rise.
- investments at fixed rates – the fair value of the assets will fall.

Interest rate risk is managed within the parameters of the City Corporation's 2021/22 Treasury Management Strategy Statement. Officers have due regard for the prospects for interest rates and the Treasury Management Strategy draws together a number of forecasts for both short term (Bank Rate) and longer-term interest rates. The Treasury Management Strategy also places an upper limit for total principal sums invested for over 364 days.

Currency Risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. City's Cash is exposed to currency risk on financial instruments that are denominated in any currency other than the functional currency of the fund (UK sterling). The following table summarises the position as at 31 March 2022 and uses data provided by the fund's custodian bank BNY Mellon.

Currency	Value	Change	Value on increase	Value on decrease
	£m	%	£m	£m
GBP	541.9	0.00%	541.9	541.9
EUR	365.9	2.41%	374.7	357.1
USD	102.8	1.54%	104.4	101.2
Other	164.1	2.39%	168.0	160.2
Total non-property investments	**1,174.7**	**-**	**1,189.0**	**1,160.4**

Non-Property Investments (mainly pooled) and Private Equity Funds

These investments are actively managed by twenty-three main external fund managers who are charged with the responsibility to increase asset values, whilst maintaining market risk to acceptable levels. They achieve this mainly through diversification of stock portfolios across several geographical locations and various industrial sectors and asset classes. The managers' investing practices are controlled by pre-defined levels of tolerance. The City Corporation's Financial Investment Board oversees the monitoring and performance of City's Cash non-property investments and is responsible for the appointment of fund managers. Concentration risk is also controlled and monitored with a maximum proportion cap over the levels held in individual stocks as a set percentage of each manager's overall portfolio of stocks.

As part of each of the external fund managers' investing there is also a strict adherence to the principles of liquidity risk management to ensure cash flow requirements are met as and when they fall due.

All the investing policies and practices are reviewed regularly after thorough consideration of economic and market conditions, and overall care is taken to identify, manage and control exposure to the price movements of several categories of investments.

Sensitivity Analysis

Following analysis of historical data and expected investment return movement during the financial year, in consultation with the City of London Corporation's investment consultant Mercer Limited, the City of London Corporation has determined that the movements in market price risk set out in the table below are reasonably possible for the 2021/22 reporting period.

The potential price changes disclosed below are consistent with a multi-year one-standard deviation movement in the value of the assets. The sensitivities are consistent with the assumptions contained in the investment advisor's most recent review. This analysis assumes that all other variables, in particular foreign currency exchange rates and interest rates, remain the same.

Potential Market Movements

The potential movements for price risk based on the different asset classes are provided below.

Asset type	Change %
Global equities - developed markets (incl UK)	18.9%
Global equities - emerging markets	28.6%
Absolute return fixed income	9.2%
Diversified growth funds	11.8%
Multi asset credit	10.8%
Private equity	24.8%
Infrastructure	16.2%
Total non-property investments	**17.6%**

These percentages have been used to calculate the following potential increases / (decreases) in the value of investments.

Asset type	Value £m	Change %	Value on increase £m	Value on decrease £m
Global equities - developed markets (incl UK)	674.7	18.9%	802.2	547.2
Global equities - emerging markets	34.8	28.6%	44.8	24.8
Absolute return fixed income	37.1	9.2%	40.5	33.7
Diversified growth funds	142.6	11.8%	159.4	125.8
Multi asset credit	31.7	10.8%	35.1	28.3
Private equity	25.9	24.8%	32.3	19.5
Infrastructure	43.7	16.2%	50.8	36.6
Total Long-term non-property investments	990.5	17.6%	1,165.1	815.9
Short-term UK deposit and money market funds	184.2	0.0%	184.2	184.2
Total non-property investments	**1174.7**	**14.9%**	**1,349.3**	**1,000.1**

Financial assets and liabilities

Financial assets held at fair value through the statement of comprehensive income are investment properties and non-property investments. They have been valued using unadjusted quoted prices in active markets for identical assets (level 1 inputs in the fair value hierarchy).

All other financial liabilities and financial assets represented by amortised cost and long-term debtors and creditors are carried on the balance sheet at amortised cost. Short-term debtors and creditors are carried at cost as this is a fair approximation of their value.

	2022 £m	2021 £m
Financial assets measured at fair value through profit and loss	**3,287.6**	2,938.4
Financial assets measured at amortised cost	**575.4**	559.7
Financial liabilities measured at amortised cost	**(1,045.0)**	(889.1)

12. Stocks of Finished Goods

A variety of purchased items are held in stock amounting to £0.4m (2020/21: £0.5m) to ensure responsive delivery of services, mainly relating to those provided at the City's open spaces, schools and ceremonial functions.

13. Creditors – amounts falling due within one year

	2022 £m	2021 £m
Sundry creditors	**54.6**	48.3
Rental income received in advance	**17.5**	16.0
Other receipts received in advance	**6.0**	4.1
VAT	**2.4**	-
Deferred income	**0.4**	0.4
Total current creditors	**80.9**	68.8

14. Deferred income

	2022 £m	2021 £m
Amounts falling due within one year	**0.4**	0.4
Amounts falling due after more than one year		
Due within two to five years	**1.9**	1.8
Due in more than five years	**80.5**	81.0
Long-term deferred income	**82.4**	82.8
Total deferred income	**82.8**	83.2

Premiums of £84.9m relating to eight operating leases were received between 2014/15 and 2021/22. No operating lease premiums were received in 2021/22. These premiums have been deferred in accordance with accounting policies note e) and are to be released over their lease terms.

15. Leases

City's Cash as lessee – finance leases

One investment property agreement has been classified as a finance lease. Payments will be made over the term of the lease to meet the costs of the long-term liability and the finance costs payable. The minimum lease payments in relation to the lease are:

Net Present Value of Minimum Lease Payments	2022 £m	2021 £m
Not later than one year	**-**	-
Later than one year and not later than five years	**0.1**	0.1
Later than five years	**2.3**	2.3
Total	**2.4**	2.4

City's Cash as lessor – finance leases

City's Cash has a gross investment in one finance lease relating to the minimum lease payment expected to be received over the remaining term of the lease. The minimum lease payments comprise settlement of the long-term debtor for the interest in the property acquired by the lessees and finance income that will be earned by City's Cash in future years whilst the debt remains outstanding. The gross investment is made up of the following amounts:

	2022 £m	2021 £m
Finance lease debtor (net present value of minimum lease payments) - non-current	**1.5**	1.5
Unearned finance income	**2.2**	2.2
Gross investment in lease	**3.7**	3.7

The gross investment in the lease and the minimum lease payments receivable will be received over the following periods:

	Gross Investment in Lease		Net Present Value of Minimum Lease	
	2022 £m	2021 £m	**2022 £m**	2021 £m
Later than one year and not later than five years	**0.1**	0.1	**-**	-
Later than five years	**3.6**	3.6	**1.5**	1.5
Total	**3.7**	3.7	**1.5**	1.5

The minimum lease payments receivables are calculated at the inception of the lease and do not take account of future events taking place after the lease was entered into, such as adjustments following rent reviews.

City's Cash as Lessor – Operating leases

Most of City's Cash investment properties are under operating lease. Under City's Cash operating leases, there are various ground leases that have terms beyond two thousand years. The minimum lease payment receivable for non-cancellable operating leases will be received over the following periods. Non-cancellable operating lease are where none of the parties have the right to terminate the lease:

	Net Present Value of Minimum Lease	
	2022 £m	2021 £m
No later than one year	**64.5**	56.9
Later than one year and not later than five years	**199.6**	198.5
Later than five years	**1,242.7**	1,507.5
Total	**1,506.8**	1,762.9

16. Loans

	2022 £m	2021 £m
Long-term loan	**449.0**	248.9
Loan balance at 31 March	**449.0**	248.9

In August 2019, the City Corporation issued debt totalling £450m via private placement, of which £250m was received in September 2019 with the remaining £200m being received in July 2021.

The debt tenures, loan term and interest rates are set out in the below table. Interest payable is at a fixed rate for each tenure and is paid twice yearly. The principal of the loan is repaid at the end of the loan term. As part of the loan condition the City Corporation net debts to net assets (excluding pension liabilities) must not exceed 50%.

	Tranche 1	**Tranche 2**	**Tranche 3**	**Tranche 4**	**Tranche 5**
Loan term	25 years	30 years	35 years	40 years	45 years
Interest rate	2.36%	2.37%	2.32%	2.33%	2.34%
Loan amount	£50m	£105m	£95m	£115m	£85m

Interest expense in 2021/22 amounted to £9.2m (2020/21: £6.0m). In addition, there were transaction costs of £1.1m which have been capitalised to the loan account and shall be amortised over the life of the loans.

17. Provisions

	City Re £m	Power Station £m	Total £m
Opening balance	3.0	39.7	**42.7**
Movement in year	0.4	14.0	**14.4**
Closing balance	3.4	53.7	**57.1**

City Re Limited has set aside £3.4m (2020/21: £3.0m) for the settlement of known insurance claims at the balance sheet date. The estimate is based on a case-by-case assessment of each claim and takes into account previous claims experience.

Barking Power Limited has set aside a total provision of £53.7m. This includes:

- £20.9m (2020/21: £22.7m) for decommissioning expenses including the cost of power station demolition and decommissioning of the gas pipeline, cooling water system, overhead lines and other cessation expenses.
- A deferred taxation liability of £32.8m (2020/21: £17.0m) has been recognised, as required under FRS102, on the revaluation gain on the land held by Barking Power Limited. This is calculated using the rate applicable to future profits (25%), and the revaluation amount less the base cost and indexation relevant to the land. The rate of corporation tax applicable to the company's future profits is 25% as it is expected that the timing difference will unwind after 1 April 2023 and as 25% is the applicable tax rate from that date, having increased from 19% following enactment in May 2021.

18. Pensions

City of London Corporation defined benefit pension scheme

The City Corporation operates a funded defined benefit pension scheme, The City of London Pension Fund, for its staff employed on activities relating to its three funds (i.e. City Fund, City's Cash and Bridge House Estates).

The assets of the scheme are held in a specific trust separately from those of the City Corporation and contributions are paid to the scheme as agreed with the scheme's Trustees. As the proportion of the Pension Fund that relates to City's Cash is not separately identifiable, the share of pension contributions paid to the scheme by City's Cash is calculated pro-rata to employer's contributions paid by each of the City Corporation contributors to the scheme.

Teachers' Pension Scheme (TPS)

In addition to City of London Corporation employees being able to participate in the City of London Pension Fund, teachers at the City of London Corporation's independent schools are eligible to participate in the Teachers' Pension Scheme. Whilst this is a defined benefit scheme, accounting standards allow for this scheme to be accounted for on a defined contribution basis as it is not possible to identify the assets and liabilities at an individual employer level. Following a review of the previous accounting treatment, the above approach has now been adopted (accounting policies note t refers). This has meant unwinding the previously recognised liability through a restatement of the previous year's balance as set out in the below table.

Teachers' Pension Scheme Liability Restatement	Previous Balance 31 March 2021 £m	Restatement of Balance 31 March 2021 £m	Restated Balance 31 March 2021 £m
TPS liability	(19.1)	19.1	0.0
Total	**(19.1)**	**19.1**	**0.0**

The table overleaf shows the total pension deficit for the City of London Pension Fund recorded on the Consolidated Statement of Financial Position of £383.0m (2021: £424.4m).

Pension scheme liabilities	2022 £m	2021 £m
City of London Pension Fund	**383.0**	424.4
Total pension scheme liabilities	**383.0**	424.4

Accounting for The City of London Pension Fund under IAS19

The actuarial valuation of the defined benefit scheme was updated at 31 March 2022, by Barnett Waddingham, an independent qualified actuary in accordance with IAS19. As required by IAS19, the defined benefit liabilities have been measured using the projected unit method. The valuation has been completed under IFRS, in line with City Fund requirements, rather than FRS102, with no material differences between the two accounting standards identified. The next triennial actuarial valuation assessment of the Scheme will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026.

The expected rate of return on the scheme's assets for the financial year ending 31 March 2022 was 27.0% p.a. (2021: 26.5% p.a.). This rate is based on the long-term future expected investment return for each asset class at the beginning of the period (i.e. as at 1 April 2021) for the year to 31 March 2022. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The return on equities is then assumed to be a margin above gilt yields.

At 31 March 2022, the City's Cash's share of the Scheme net pension liability was £383.0m (2021: £424.4m). City's Cash's share of the market value of the Schemes' assets was £583.2m (2021: £545.5m).

The estimated amount of total employer contributions expected to be paid to the scheme by City's Cash during the year to 31 March 2022 is £14.9m (actual for year to 31 March 2021: £14.8m). This figure is calculated pro-rata to total contributions that will be payable by the City of London Corporation in accordance with the Schedule of Contributions towards the scheme's deficit.

(a) Major assumptions by the actuary

Financial assumptions

The financial assumptions used for the purposes of the IAS19 calculations are as follows:

Assumptions as at 31 March - per annum	2022	2021	2020
RPI increases	**4.3%**	3.2%	2.7%
CPI increases	**3.3%**	2.9%	1.9%
Salary increases	**4.3%**	3.9%	2.9%
Pension increases	**3.3%**	2.9%	1.9%
Discount rate	**2.6%**	2.0%	2.4%

Life expectancy

The following table reflects the change in the mortality tables used for the 31 March 2022 valuation and allowance is made for the expected decline in future life expectancy:

Assumed life expectancy from age 65 years	Sex	2022	2021
Age 65 retiring today	Male	**21.6**	21.6
Age 65 retiring today	Female	**24.3**	24.3
Retiring in 20 years	Male	**23.0**	22.9
Retiring in 20 years	Female	**25.8**	25.7

(b) Amounts included in the Consolidated Statement of Financial Position

The amounts included in the City's Cash Consolidated Statement of Financial Position (CSoFP) arising from the City of London Corporation Pension Fund's liabilities in respect of the defined benefit scheme for the current and previous period are as follows:

Net Pension Asset	2022 CC 4.30%	2022 CoL £m	2021 CC £m	2021 CoL £m
Funded liability present value	**(964.4)**	**(2,096.5)**	(967.9)	(2,104.1)
Fair value of fund assets (bid)	**583.2**	**1,267.9**	545.5	1,185.9
Net liability	**(381.2)**	**(828.6)**	(422.4)	(918.2)
Unfunded liability present value	**(1.8)**	**(4.1)**	(2.0)	(4.5)
Net liability on CSoFP	**(383.0)**	**(832.7)**	(424.4)	(922.7)

Note: CC – City's Cash (consolidated), CoL – City of London (Corporation)

The total net pension fund liability shown on the Consolidated Statement of Financial Position is £383.0m (2020/21: £424.4m). The City's Cash share of the net defined benefit pension scheme liability represents 46% (2021: 46%) of the total net balance sheet liability in the City of London Corporation Pension Fund Financial Statements. The calculation of this percentage is detailed in the first paragraph of the note and in note (t) of the accounting policy.

(c) Amounts recognised in the Consolidated Statement of Comprehensive Income

	2022 £m	2021 £m
Current service cost	**(39.8)**	(36.6)
Administration cost	**(0.4)**	(0.4)
Losses on settlements and curtailments	**(4.3)**	(6.3)
Employer contributions	**17.0**	15.1
Unfunded pension payments	**0.2**	0.2
Return on pension scheme assets	**10.5**	6.9
Interest on pension scheme liabilities	**(19.0)**	(13.8)
Net pension scheme costs	**(35.8)**	(34.9)
Actual return less expected return on pension scheme assets	**27.8**	107.3
Experience gain / (losses)	**(2.0)**	9.5
Change in demographic assumptions	**-**	8.2
Changes in assumptions underlying the present value of liabilities	**51.4**	(222.1)
Actuarial gains / (losses) recognised in the CSoCI	**77.2**	(97.1)
Net charge to the CSoCI	**41.4**	(132.0)

Note: CSoCI - Consolidated Statement of Comprehensive Income

(d) Asset allocation

The allocation of the scheme's assets at 31 March is as follows:

Employer asset share - bid value	2022 £m	2022 Per annum	2021 £m	2021 Per annum
Equities	**345.3**	**59.2%**	327.8	60.1%
Cash	**8.0**	**1.4%**	2.8	0.5%
Infrastructure	**71.3**	**12.2%**	63.4	11.6%
Absolute Return Portfolio	**158.6**	**27.2%**	151.5	27.8%
Total assets	**583.2**	**100.0%**	545.5	100.0%

(e) Movement in the present value of scheme liabilities

Changes in the present value of the scheme liabilities over the year are as follows:

Reconciliation of opening and closing balances of the present value of the defined benefit liability	2022 £m	2021 £m
Opening defined benefit liability	**(969.9)**	(723.4)
Current service cost	**(39.8)**	(36.6)
Interest cost	**(18.8)**	(13.7)
Experience loss / (gain) on defined benefit obligation	**(2.0)**	9.5
Change in demographic assumptions	**-**	8.2
Change in financial assumptions	**51.4**	(222.1)
Losses on curtailments	**(4.3)**	(4.8)
Liabilities extinguished on settlements	**-**	(3.0)
Estimated benefits paid net of transfers in	**22.2**	20.9
Contributions by scheme participants	**(5.2)**	(5.1)
Unfunded pension payments	**0.2**	0.2
Closing defined benefit liability	**(966.2)**	(969.9)

(f) Movement in the scheme net liability

The net movement in the scheme liabilities over the year are as follows:

Reconciliation of net defined benefit liability	2022 £m	2021 £m
Deficit at the beginning of the year	**(424.4)**	(292.4)
Current service cost	**(39.8)**	(36.6)
Net interest	**(8.5)**	(7.0)
Settlements and curtailments	**(4.3)**	(6.3)
Other finance expenses	**(0.4)**	(0.4)
Employers contributions	**17.0**	15.1
Unfunded pension payments	**0.2**	0.2
Actuarial gains/(losses)	**77.2**	(97.0)
Deficit at the end of the year	**(383.0)**	(424.4)

(g) Movement in the present value of scheme asset

Changes in the fair value of the scheme assets over the year are as follows:

Reconciliation of opening and closing balances of the fair value of scheme assets	2022 £m	2021 £m
Opening fair value of scheme assets	**545.5**	431.0
Interest on assets	**10.4**	6.7
Return on assets less interest	**27.7**	107.3
Administration expenses	**(0.4)**	(0.4)
Contributions by employer including unfunded	**17.2**	15.3
Contributions by scheme participants	**5.2**	5.1
Estimated benefits paid net of transfers in and including unfunded	**(22.4)**	(21.1)
Settlement prices paid	**-**	1.6
Closing value of scheme assets at end of period	**583.2**	545.5

Changes in financial assumptions

In 2020/21, City of London defined benefit pension scheme was significantly affected by the change in financial assumptions, which led to an increased in pension liability of £482.9m. The change in financial assumptions was from a combination of three changes in the independent consulting actuary's (Barnett Waddingham LLP) financial assumptions:

1. The present value of liabilities has increased due to the discount rate dropping from 2.35% to 2.00% (based on the annualised Merrill Lynch AA rated corporate bond yield curve where the spot curve is assumed to be flat beyond the 30-year point). This is 20% of the total change in financial assumptions.
2. The future cost of benefits has increased due to the Market implied inflation being higher. This is 62% of the change in the financial assumptions.
3. There has been a technical change in the actuary's approach to derivation of Retail Prices Index (RPI) and Consumer Prices Index (CPI) inflation as an inflation risk premium has been introduced. This is because the Bank of England's implied inflation spot curve is assumed to be flat beyond the 40-year point and suggests a higher rate of inflation than expected by market participants. This is 18% of the change in financial assumptions.

The impact of these assumptions in 2021/22 was £222.1m:

		2022	
	Percentage Impact	CC £m	CoL £m
Impact of change of discount rate	20%	45.5	98.9
Impact of change in CPI (market related)	62%	136.8	297.4
Impact of change in CPI derivation approach	18%	39.8	86.6
Total change in financial assumptions	100%	222.1	482.9

Note: CC – City's Cash (consolidated), CoL – City of London (Corporation)

(h) Historical information – Amounts for the current and previous periods

The following City's Cash share of pension liabilities for 2018-2022 have been recognised under the "Actuarial gains and losses on defined benefit pension scheme" heading within the Consolidated Statement of Changes in Equity:

	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Present value of defined benefit liability	**(966.2)**	(723.4)	(747.4)	(747.4)	(701.8)
Fair value of scheme assets	**583.2**	431.0	455.6	455.6	423.3
Deficit in the scheme	**(383.0)**	(424.4)	(424.4)	(291.8)	(278.5)
Experience adjustments on scheme liabilities	**2.0**	9.5	(37.3)	-	-
Percentage of scheme liabilities	**(0.2%)**	(1.0%)	3.8%	0.0%	0.0%
Experience adjustments on scheme assets	**26.4**	107.3	(26.4)	21.4	(2.0)
Percentage of scheme assets	**4.5%**	19.7%	(4.8%)	4.7%	(0.5%)
Cumulative actuarial gains and losses	**(82.7)**	(158.5)	(61.4)	(73.0)	(80.0)

The cumulative gains and losses in the table above start from 1 April 2005.

(i) Sensitivity analysis

The below table listed City's Cash share of the impact on its pension liabilities as a result of changing in key assumptions whilst holding other assumptions constant.

		£m	£m	£m
		0.1%	**0.00%**	**-0.10%**
Adjustment to discount rate	PV of total liability	947.0	966.3	985.9
	Projected service cost	34.0	10.6	36.5
Adjustment to long-term	PV of total liability	968.0	966.3	964.6
	Projected service cost	35.3	10.6	35.3
Adjustment to pension	PV of total liability	984.0	966.3	948.8
	Projected service cost	0.8	10.6	-1.7
		+ 1 year	**None**	**- 1 year**
Adjustment to mortality age	PV of total liability	1,008.6	966.3	925.8
	Projected service cost	36.7	10.6	33.9

Note: PV – present value

(j) Projected pension expense for the year to 31 March 2023

The below table show City's Cash share of projected pension expenses. No allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the liabilities. As it is only an estimate, actual experience over the year may differ. No balance sheet projections have been provided on the basis that they will depend upon market conditions and the asset value of the scheme at the end of the following year.

	Projected Year to 31 March 2023 £m	Projected Year to 31 March 2022 £m
Service cost	**10.6**	29.7
Net interest on the defined liability	**9.8**	8.3
Administration expenses	**0.4**	0.5
Total expense	**20.8**	38.5
Employer contributions	**14.9**	14.8

19. Capital and Reserves

	Balance at 1 April 2021 £m	Additions / income £m	Disposals / expenditure £m	Depreciation / amortisation £m	Unrealised Gains / (Losses) £m	Balance at 31 March 2022 £m
Operational Capital	274.7	29.1		(7.5)		**296.3**
Heritage Assets Reserve	181.6	0.2				**181.8**
Income Generating Fund:						
Investment Properties	321.0	20.0		(4.0)		**337.0**
Non-Property Investments	947.2	273.5	(113.8)		67.8	**1,174.7**
Revaluation Reserve - Investment Properties	1,701.4				101.8	**1,803.2**
Income Generating Fund	2,969.6	293.5	(113.8)	(4.0)	169.6	**3,314.9**
Working Capital Fund	(124.5)		(25.1)			**(149.6)**
Loan Fund	(248.9)	(200.1)				**(449.0)**
Pension Reserve	(424.4)	(35.8)	-		77.2	**(383.0)**
Total Capital and Reserves	**2,628.1**	**86.9**	**(138.9)**	**(11.5)**	**246.8**	**2,811.4**

Notes to capital and reserves:

- Operational Capital – reflects the operational assets from the Statement of Financial Position.
- Heritage Asset Reserve – reflects the heritage assets from the Statement of Financial Position.
- Income Generating Fund – comprises the asset values of investment properties and non-property investment assets, which generate the income to fund City's Cash activities and services.
- Working Capital Fund – reflects the net current assets, long-term debtors and provisions for liabilities and finance leases from the Statement of Financial Position.
- Loan Fund – reflects the long-term loans from the Statement of Financial Position.
- The City of London Corporation manages and funds ten registered charities (listed on page 13) which are consolidated within City's Cash accounts. Total funds of the charities amount to £63.6m (2020/21: £60.5m), comprising unrestricted funds of £28.7m (2020/21: £26.8m), restricted funds of £0.3m (2020/21: £0.4m) and endowment funds of £34.6m (2020/21: £33.3m). Restricted and endowed funds include income that is subject to specific restrictions imposed by the donor. These funds are included as part of working capital funds reserves, however £34.7m of the endowment funds have been classified as income generating fund – non-property investments reserves. Further details can be found in the separately published accounts of each charity, which are filed with the Charity Commission and can be viewed at: https://www.gov.uk/government/organisations/charity-commission.

20. Notes to the consolidated statement of cash flows

(a) Reconciliation of operating surplus to net cash flow provided by / (used in) operating activities

	2021/22 £m	2020/21 £m
Operating (deficit) / surplus for the reporting period	**72.8**	31.9
Adjustments for:		
Depreciation and amortisation charges	**11.5**	11.8
Write-off abortive heritage asset costs capitalised	**-**	0.1
Net pension scheme costs	**35.8**	34.0
(Gains) / losses on property investments	**(101.8)**	98.4
(Gains) / losses on non-property investments	**(69.0)**	(227.0)
Net dividends, interest and rents from investments	**(65.4)**	(27.5)
Decrease / (increase) in debtors	**2.7**	(15.2)
Increase in creditors falling due within one year	**12.1**	0.1
Release of deferred income	**(0.4)**	(0.4)
(Decrease) / increase in provision	**(1.4)**	5.0
Net cash used in operating activities	**(103.1)**	(88.8)

(b) Cash flows from financing activities

	2022 £m	2021 £m
New loans	**200.1**	-
Repayment of loans	**-**	-
Loan interest and transaction costs	**(9.2)**	(5.9)
Total	**190.9**	(5.9)

(c) Analysis of changes in net debt activities

	At 1 Apr 2021 £m	Cash flows £m	At 31 Mar 2022 £m
Cash and cash equivalents	16.3	3.8	**20.1**
Borrowings			
Debts due within one year	-		-
Debts due after one year	(248.9)	(200.1)	**(449.0)**
Finance Leases	(2.4)	-	**(2.4)**
Total net debt	(235.0)	(196.3)	**(431.3)**

21. Financial commitments

The material contractual capital commitments are as follows:

	Consolidated 2022 £m	2021 £m
Contracted for but not provided for contract commitments (a)	**5.9**	20.1
Total	**5.9**	20.1

Notes:

a) The contract commitment of £5.9m for 2022 relates to the following:
- The refurbishment of Smithfield Annexe: £2.9m.
- Refurbishment of St Lawrence Jewry Church: £1.7m.
- Tunnel lids for Smithfield Market: £1.3m.

b) City's Cash has no material commitments under operating leases.

c) The City Corporation has agreed a £50.0m contribution to Crossrail from City's Cash subject to the completion of the works; the exact payment date has yet to be agreed. The agreement with Crossrail is an executory contract and therefore outside the scope of FRS102. An executory contract is a contract under which neither party has performed any obligations or both parties have partially performed their obligations to an equal extent.

22. Related party transactions

All Members of the Committees governing funds and activities consolidated into City's Cash are appointed by the City Corporation to act on its behalf. The City Corporation also employs all staff. The costs of those staff employed directly on City's Cash activities are allocated to those activities accordingly. City's Cash is required to disclose information on related party transactions with bodies or individuals that control or have significant influence over its funds and activities or be controlled or influenced by it.

The City Corporation provides support services for the activities undertaken by each of its funds. These support services include management, surveying, financial, banking, legal and administrative services. Where possible support service costs are allocated directly to the funds concerned. For those costs that cannot be directly allocated, apportionments are made between the City Corporation's funds on the basis of time spent. Premises costs are apportioned on the basis of areas occupied by services.

With regard to banking services, the City Corporation allocates all transactions to City's Cash at cost and credits or charges interest at a commercial rate.

The City Corporation also provides the above services to a number of charities. The cost of these services is borne by City's Cash in relation to most of these charities. A list of charities managed by the City Corporation is available on request from the Chamberlain by email: CHB-Secretariat@cityoflondon.gov.uk.

City's Cash initially bears the full costs of corporate capital projects with the City's other funds, City Fund and Bridge House Estates, reimbursing their shares of expenditure in the years in which costs are accrued. Transactions are undertaken by City's Cash on a normal commercial basis in compliance with the City's procedures irrespective of any possible interests.

As a matter of policy and procedure, the City of London Corporation ensures that Members and officers do not exercise control over decisions in which they have an interest.

Standing Orders

The City of London has adopted the following Standing Order in relation to declarations of personal and beneficial interests:

"If a matter for decision is under consideration by the Court, or any Committee thereof, in which a Member has a personal interest, he must declare the existence and nature of his interest in accordance with the Code of Conduct."

Disclosure

Members are required to disclose their interests and these can be viewed online at: http://democracy.cityoflondon.gov.uk/mgMemberIndex.aspx?bcr=1.
Members and Chief Officers have been requested to disclose related party transactions of £10,000 or more, including instances where their close family has made transactions with the City's Cash.

Disclosures relate to both 2021/22 and 2020/21 unless otherwise stated.

During 2021-22 the following transactions have been disclosed. This is where Members held positions of control or significant influence in related parties to City's Cash are:

Related party	Connected party	2021/22 £000	2020/21 £000	Detail of transaction
Centre for London	A Member was a trustee of the Centre for London	-	37	Sponsorship and funding received from City's Cash
Christ's Hospital	Three Members were nominated by the City Corporation to the Council of Christ's Hospital	80	80	Payments made by City's Cash for a presentation place to secure the right to present one child to enter the school
City & Guilds London	The City Corporation nominated four Members to the City & Guilds London Institute, which leases premises for which rent and service charges were receive	-	(227)	Rent and service charges received by City's Cash
City of London Academy Hackney	The City Corporation nominated three Members to the Board of Governors of the City of London Academy Hackney	-	317	Grant funding received from City's Cash
City of London Academy Islington	The City Corporation nominated two Members to the Board of Governors of the City of London Academy Islington	-	295	Grant funding received from City's Cash
City of London Academy Shoreditch Park	A Member was a Governor at City of London Academy Shoreditch Park	140	117	Grant funding received from City's Cash
City of London Academies Trust	The City Corporation nominated one Member to the Board of Governors of the City of London Academies Trust	611	528	Grant funding received from City's Cash
City of London Reserve Forces & Cadets Association	The City Corporation nominated one Member to the City of London Reserve Forces & Cadets Association (2020/21: The City Corporation nominated three Members to the City of London Reserve Forces & Cadets Association)	21	21	Grant funding received from City's Cash
City University	Four Members were on the Court of the City University	-	14	Fees paid by City's Cash

Related party (continued)	Connected party (continued)	2021/22 £000	2020/21 £000	Detail of transaction (continued)
Commonwealth Enterprise & Investment Council	A Member was on the Commonwealth Investment and Enterprise Council	-	10	Received from City's Cash for work on encouraging trade
Companies leasing market premises	A Member was a shareholder and / or managing director of companies leasing market premises for which rent and service charges were received	(167)	(291)	Rent and service charges received by City's Cash
Companies leasing market premises	Another Member was a director of a company leasing market premises for which rent and service charges were received	(254)	(376)	Rent and service charges received by City's Cash
Companies leasing market premises	Another Member was a director of a company leasing market premises for which rent and service charges were received	(83)	(132)	Rent and service charges received by City's Cash
Companies leasing market premises	Another Member was a director of a company leasing market premises for which rent and service charges were received	(12)	(17)	Rent and service charges received by City's Cash
Company provided repairs and maintenance services	A Member was a director of the company who provide repairs and maintenance service for which charges were paid	-	15	Payments from City's Cash for various advisory work
DLA Piper UK LLP	A member is a consultant to DLA Piper UK LLP, another member is an equity partner	13	-	Professional fee paid by City's Cash
DLA Piper UK LLP	A member is a consultant to DLA Piper UK LLP, another member is an equity partner	(30)	-	Venue hire charge paid to City's Cash
Epping Forest Heritage Trust	A Member spouse is a trustee of the charity which grant has been made	-	14	Grant funding made by City's Cash
Gresham College Council	A Member is a director of Gresham College Council (2020/21: The City Corporation nominated two Members to the Gresham College Council)	752	487	Grant funding received from City's Cash
Guild Church Council of St. Lawrence Jewry	The City Corporation nominated three Members to the Guild Church Council of St. Lawrence Jewry and three other Members declared places on the Council	100	100	Grant funding received from City's Cash

Related party (continued)	Connected party (continued)	2021/22 £000	2020/21 £000	Detail of transaction (continued)
The Honourable The Irish Society	3 Members were part of the governance structure of The Honourable The Irish Society	30	36	Grant funding received from City's Cash
King Edward's School Witley	A Member was a vice president of the school and six other members were on the school court	454	259	Grant funding received from City's Cash
Lord Mayor's Show Limited	Six Members and two Chief Officers were directors to the Lord Mayor's Show Ltd	(29)	(33)	Payments received by City's Cash for services provided
Metro Bank Plc	A Member was a chairman and non-executive director of Metro Bank PLC for which rent and service charge was received	-	(582)	Rent and service charges received by City's Cash
Museum of London	One member appointed as a Governor of the Museum of London (2020/21: Eight Members were appointed as Governors of the Museum of London)	247	275	Grant funding received from City's Cash
TheCityUK	A member sits on the Board and Council (2020/21: Three Members were also members of this organisation)	500	500	Grant funding received from City's Cash
Wellington Trust	A Member is a Trustee & Director	106	-	Management fees paid by City's Cash

The following transactions have been disclosed where Members have declared an interest in parties that have transactions with the City's Cash during 2021-22.

Related party	Connected party	2021/22 £000	2020/21 £000	Detail of transaction
Amazon EU SARL, UK Branch	A member was employed by the company	-	13	Payments from City's Cash for purchase during the year
BDO LLP	A member was an auditor to the Girdlers company employed by BDO LLP	-	270	Professional and audit fees paid by City's Cash
British Telecommunications Plc	A Member's spouse was a senior lawyer of the company who provide telephone service for which charges were paid	-	20	Payments from City's Cash for telephone services
CBRE Limited	A member was employed by the company	-	32	Payments from City's Cash for professional services
Companies leasing premises	A Member's spouse was a shareholder of a company which leases premises for which rent and service charges were received	(415)	(694)	Rent and service charges received by City's Cash
Gardiner & Theobald	A Member was employed by the company as property adviser to the Girdlers' Company for which rent was received	(1,508)	(3,134)	Rent and service charges received by City's Cash
Knight Frank LLP	A member's family member was employed by Knight Frank LLP	-	31	Professional fee paid by City's Cash
London Borough of Lambeth	A Member was a Head of Treasury & Pensions in London Borough of Lambeth for which fees was received	(40)	(40)	Payments received by City's Cash for subscription
The Mercers Company	Philanthropic livery	-	45	Payments from City's Cash for management charge
Ministry of Justice	A Member was a recorder for the Ministry of Justice for which grant funding was made	-	60	Grant funding received from City's Cash
Nationwide Building Society	A Member of the City Corporation was employed by Nationwide Building Society, which leases premises for which rent and service charges were received	-	(454)	Rent and service charges received by City's Cash

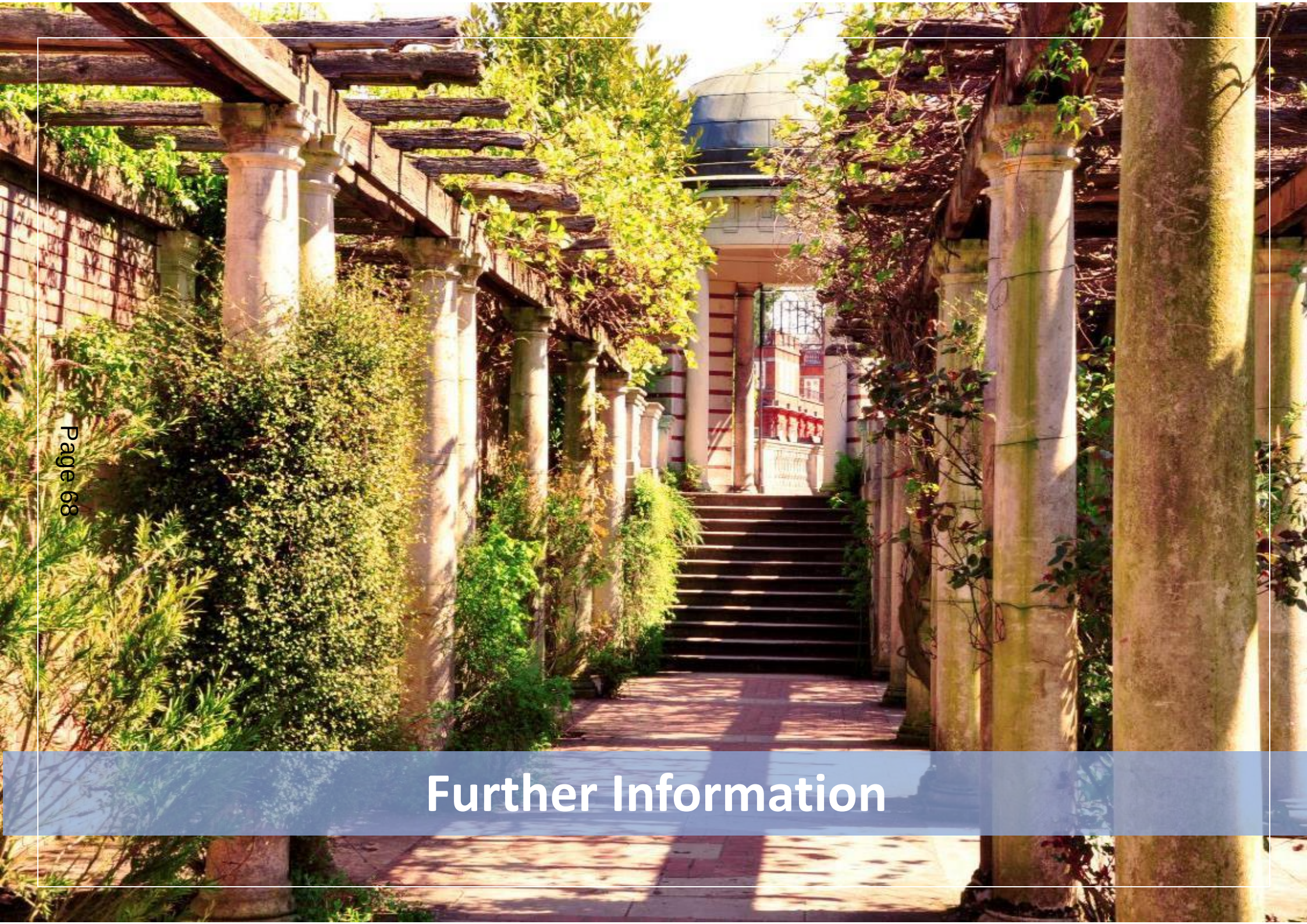
Related party (continued)	Connected party (continued)	2021/22 £000	2020/21 £000	Detail of transaction (continued)
Phillips & Leigh	A Member's spouse was a practice manager at Phillips & Leigh for which rent and service charges were received	(92)	(120)	Rent and service charges received by City's Cash
PricewaterhouseCoopers LLP	A Member was employed by PWC who carried our various work for which fees were charged	30	22	Payments from City's Cash for various advisory work
University of East Anglia	A Members was on the advisory board of the university for which fees were received	(62)	(44)	Payments received by City's Cash for services provided
The Worshipful Company of Musicians	Musician livery	-	(148)	Rent and service charges received by City's Cash
WSP UK Limited	A Members was on a consultant of the company for which charge was paid	-	22	Payments from City's Cash for consultancy work

23. Post Balance Sheet events

The City Corporation has measures in place to monitor the inflationary pressures that are being faced. Following on from the global pandemic, the economy has been significantly affected by the war in Ukraine and this has the potential to become a national crisis. The City Corporation will continue to monitor the impact of inflation and put in place mitigations to ensure it has sufficient resources to meet its needs.

24. Approval of the financial statements

The City's Cash Accounts were approved for issue by the Chamberlain on xx January 2023. Events after the balance sheet date and up to xx January 2023 have been considered in respect of a material effect on the financial statements. Events taking place after this date are not reflected in the financial statements or notes.



Further Information

Bridge House Estates – The City of London is the sole trustee of Bridge House Estates, which reaches out across London in many important and diverse ways. This includes its grant-making operation, City Bridge Trust, but the core business of the charity, for many centuries, has been looking after its bridges. Bridge House Estates in some cases built, and now maintains, five of the bridges that cross the Thames into the City of London – London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and the Millennium Footbridge. The maintenance and replacement of these bridges remains the prime objective of this long-standing charity.

City Fund – This Fund meets the cost of the City of London's local authority, police authority and port health authority activities. The Fund generates rental and interest income to help finance these activities. In addition, in common with other local authorities, it receives grants from central government, a share of business rates income and the proceeds of the local council tax.

Creditors – Individuals or organisations to which City's Cash owes money at the end of the financial year.

Current asset – An asset which will be consumed or cease to have value within the next accounting period; examples are stock and debtors.

Current liability – An amount which will become payable or could be called in within the next accounting period; examples are creditors and cash overdrawn.
Current service cost (pensions) The increase in the present value of a defined benefit scheme's liabilities expected to arise from employee service in the current period.

Curtailment (pensions) – For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service.

Curtailments include:

a) Termination of employees' services earlier than expected, for example as a result of discontinuing an activity.
b) Termination of, or amendment to, the terms of a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

Debtors – Individuals or organisations that owe City's Cash money at the end of the financial year.

Deferred income – Money received for goods / services which have not yet been delivered.

Defined benefit scheme – A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded.

Defined contribution scheme – A pension or other retirement benefit scheme into which an employer pays regular contributions fixed as an amount or as a percentage of pay and has no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Depreciation – The loss in value of an asset due to age, wear and tear, deterioration or obsolescence.

Expected rate of return on pensions assets – For a funded defined benefit scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

Experience gains or losses – In pensions accounting, the element of actuarial gains and losses that relates to differences between the actual events as they have turned out and the assumptions that were made as at the date of the earlier actuarial valuation.

Fair value – Fair value is generally defined as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction.

Finance lease – A contract or part of a contract that conveys the right to control the use of an asset for a period of time in exchange for consideration.

Goodwill – The purchase goodwill is gain from the land value of the power station sites, which has unlimited useful economic life, FRS102 require this kind of goodwill to be amortised over 10 years, which is the maximum useful economic life of these assets under FRS102.

Gross value added (GVA) – Regional gross value added using production and income approaches. Regional gross value added is the value generated by any unit engaged in the production of goods and services.

Heritage assets – A tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Impairment – A reduction in the value of an asset below its carrying amount on the balance sheet.

Income Generating Fund – comprises the asset values of investment properties and non-property investment assets, which generate the income to fund City's Cash activities and services.

Intangible assets – A non-physical item where access to future economic benefits is controlled by the local authority. An example is computer software.

Pensions interest cost – For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

Investment properties – Interest in land or buildings that are held for investment potential.

Local Government Pension Scheme (LGPS) – this is one of the largest pension schemes in the UK. The City of London Corporation's defined benefit pension scheme for non-teaching staff is part of the LGPS.

Net current replacement cost – The cost of replacing a particular asset in its existing condition and in its existing use.

Net realisable value – The open market value of an asset in its existing use (or open market value in the case of non-operational assets) less the expenses to be incurred in realising the asset.

Operational Capital Fund – Reflects the Statement of financial position for operational assets.

Past service cost (pensions) – For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

Projected unit method – An accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to:

a) The benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependants, allowing where appropriate for future increases.
b) The accrued benefits for members in service on the valuation date. The accrued benefits are the benefits for service up to a given point in time, whether vested rights or not. Guidance on the projected unit method is given in the Guidance Note GN26 issued by the Faculty and Institute of Actuaries.

Provision – An amount set aside in the accounts for liabilities of uncertain timing or amount that have been incurred. Provisions are made when:

a) The City of London has a present obligation (legal or constructive) as a result of a past event.
b) It is probable that a transfer of economic benefits will be required to settle the obligation.
c) A reliable estimate can be made of the amount of the obligation.

Revaluation Reserve – Represents increases in valuations of assets since 1 April less amounts written off due to the 'additional depreciation' (including impairment due to consumption of economic benefit) arising because property, plant and equipment are carried at a revalued amount rather than historic cost. It can also include reductions in values to investment properties where the reductions are not considered to be permanent.

Revenue expenditure – The day to day running costs relating to the accounting period irrespective of whether or not the amounts due have been paid. Examples are salaries, wages, repairs, maintenance and supplies.

Scheme liabilities – The liabilities of a defined benefits pension scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

Working Capital Fund – Reflects the Statement of Financial Position for net current assets, long-term debtors and provisions for liabilities and finance leases.

CITY OF LONDON

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Ashtead Common

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1051510

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 7

FINANCIAL REVIEW 8

TRUSTEE RESPONSIBILITIES 10

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF ASHTEAD COMMON 12

STATEMENT OF FINANCIAL ACTIVITIES 13

BALANCE SHEET 14

NOTES TO THE FINANCIAL STATEMENTS 15

REFERENCE AND ADMINISTRATION DETAILS 24

ORIGINS OF THE CHARITY

Ashtead Common is a 200-hectare area of open space, home to over 1,000 living ancient oak pollards. Its natural and cultural heritage are of national importance, the legacy of centuries of interaction between people and the environment. The Ashtead Common charity was established under the Corporation of London (Open Spaces) Act 1878 which states that the purpose of the charity is the preservation of the Common at Ashtead for the recreation and enjoyment of the public.

Acquisition

The City of London acquired the Lordship of the Manor of Ashtead from the Trustees of Lord Barnby's Charitable Foundation on March 25th 1991. It was the wish of the Trustees that the nature of the Common be forever preserved for the use and benefit of the general public. To achieve this, they approached Mole Valley District Council, who already held a lease for Woodfield, to see whether they would be prepared to purchase the Common. In subsequent negotiations it was agreed that Mole Valley District Council would complete the acquisition of the southern part of Woodfield for the sum of £875. The Trustees transferred the remainder of the Common directly to the City of London for the sum of £29,125.

Protected rights and designations

Ashtead Common was registered as a common in 1968 (register unit number CL 280). An entry was made in the Register of Common Land in 1970 to record rights in common held by the private owners of Newton Wood. These include rights of access, right of pasture for four cattle, estovers (collection of fallen branches or bracken) and turbary (turf or peat). In conjunction with Epsom Common, much of Ashtead Common (180 hectares) was designated as a Site of Special Scientific Interest (SSSI) in 1955 for its diversity of habitat, rare invertebrates (particularly decaying wood specialists, flies and butterflies) and rich community of breeding birds. Woodfield (8 hectares) was not included but was later designated as a Site of Nature Conservation Importance for species diversity with rare species present. The area designated as National Nature Reserve on September 26th 1995 follows the SSSI boundary, so it too is 180 hectares in size. As well as Woodfield, the other notable exclusions include the City owned land south of the railway line (sometimes called Craddocks Wood), and a thin strip adjacent to the railway line between the Woodlands Road entrance and Bridleway 38. Ashtead Common was registered as a charity on December 19th 1995.

Community involvement and visitors

The City of London adopted aspects of the Community Woodland model when it acquired Ashtead Common in 1991, and the local community has been an integral part of the Commons' management ever since. Primarily it is through practical conservation volunteering that the local community is involved. Much of the work to manage the Common is literally done by the local community itself.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The Governing Document is the Corporation of London (Open Spaces) Act 1878. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Ashtead Common. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and Members of the City of London Corporation are appointed to the Epping Forest and Commons Committee governing Ashtead Common by the Court of Common Council of the City of London Corporation.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Epping Forest and Commons Committee** - responsible for the activities undertaken at Ashtead Common, approving budget allocations for the forthcoming year and acting as Trustee of the charity.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties,

land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 24.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's Target Operating Model (TOM) restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department. The new structure was agreed by a total of nine Committees during December 2021 and January 2022. As a result, Ashtead Common became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Ashtead Common. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation in perpetuity of the common at Ashtead as an open space for the recreation and enjoyment of the public.

Purposes of the charity as set out in the governing document, the Corporation of London (Open Spaces) Act 1878:

- Ashtead Common to be kept as open space for public recreation.
- Natural aspect to be preserved.
- Protect the timber and other trees, pollards, shrubs, underwood and herbage.
- Land to be unenclosed and unbuilt upon, except those features required for better attainment of the Act and deemed necessary by the City.
- Byelaws protecting the site and its features to be enforced.
- Encroachments to be resisted and abated.

Main activities undertaken in relation to these purposes:

- Practical conservation management activities to maintain the biodiversity of Ashtead Common, such as tree surgery work on the veteran oak pollards, bracken suppression and management of firebreaks, scrub, grassland and wetland habitats.
- Providing volunteering opportunities to encourage community involvement.
- Providing and maintaining facilities for informal recreation.
- Grazing with cattle.
- Protecting Ashtead Common and its users from harm by patrolling, enforcing byelaws, resisting encroachments, challenging threats and managing assets.
- Providing educational activities and events.
- Surveying and monitoring, for wildlife, visitor use, archaeological investigations and pollution monitoring.
- Managing and protecting Scheduled Monuments, including a Roman villa and tileworks.
- Managing and creating watercourses and water management systems.

Ashtead Common's natural and cultural heritage are of national importance, the legacy of centuries of interaction between people and the environment. As we progress through the 2020's and beyond the challenge of protecting this valuable resource will increase as pressures from environmental and human factors mount.

Aims of the charity

- Maintain the biodiversity of Ashtead Common by managing habitats to favourable condition and achieving conservation gains that benefit the site and beyond.
  Governing document link: preserve natural aspect, protect the timber and other trees, pollards, shrubs, underwood and herbage.

- Encourage the sustainable use of Ashtead Common for recreation and promote community involvement in all aspects of the site.
  Governing document link: commons acquired by the City to be kept as open spaces for the recreation and enjoyment of the public

- Protect Ashtead Common and its users from harm. Challenge threats and maintain assets, including heritage assets, in good condition.

Governing document link: open spaces kept unenclosed and unbuilt upon. Shall by all lawful means prevent, resist and abate enclosures, encroachments and buildings upon. The City may from time to time make and alter byelaws.

The Ashtead Common Management Plan describes the strategy for achieving these aims.

Volunteers

Volunteer activity resumed as quickly as possible as Covid controls were eased, albeit with adjusted procedures to minimise the risk. This meant that volunteer involvement was recorded in every month of 2021/22 to varying degrees. In total over 6,000 hours of volunteering was achieved.

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 7 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating to the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although Ashtead Common charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The

day-to-day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received nil complaints in relation to fundraising activities in the current year (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Ashtead Common's aims and objectives and in planning future activities. The purpose of the charity is the preservation in perpetuity of the common at Ashtead as an open space for the recreation and enjoyment of the public. Almost the entire open space is designated as a National Nature Reserve and Site of Special Scientific Interest (SSSI).

Past land use has influenced the Common, creating its rich ecological and cultural diversity. Today it is an important amenity resource for local people, who use the site for a variety of informal recreational and educational activities. Local people are actively encouraged to become involved as volunteers in all aspects of managing the Common.

Consequently, the Trustee considers that Ashtead Common operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 24.

ACHIEVEMENTS AND PERFORMANCE

The story of 2021/22 was one of a gradual if somewhat stilted return to near normal following the Covid-19 lockdowns of 2020/21. Adjusted working arrangements continued through much of the year, which limited the opportunity to deliver activities such as events and educational visits. However, a full programme of conservation management was delivered, along with ecological surveying of flies and grassland management.

The key targets for 2021/22 together with their outcomes were:

Implementing the management plan – The new 10-year management plan covering the period 2021 to 2031 became live on April 1 2021. With over 450 consultee contributions, more people were engaged in the development of this plan than in any previous iteration. The new plan details a number of initiatives to make Ashtead Common more resilient to climate change and increased visitor pressure, including improvements and extensions to the firebreak network. Work on this task commenced with the creation of a new firebreak along the vulnerable western boundary. The new plan also scheduled ecological surveys of Woodfield and a comprehensive study of flies. Despite being mentioned in the 1955 SSSI citation, flies have never been studied in detail. Survey work was conducted through much of the year, although an unusually cold spring affected early results, necessitating additional work in spring 2022. Aerial work on the ancient pollards recommenced following a suspension last year due to dry conditions the year before. Scrub and ride management also occurred in accordance with the plan. Overall targets for volunteer engagement were achieved, although the month-on-month situation was somewhat up and down due to Covid controls. This also affected the delivery of educational activities and events, and targets were not met in this area.

Countryside Stewardship scheme – A successful application was made to Natural England for Countryside Stewardship funding for a 10-year programme of conservation work that includes veteran tree management, wood pasture restoration, wood pasture management and grazing. Grassland management is also included, and some of this occurs on a small piece of Ashtead Common not owned by the City of London. This necessitated the drawing-up of an Internal Agreement between the City and Mole Valley District Council. Under this agreement the City will undertake to deliver the annual hay cut on the small part of Ashtead Common owned by Mole Valley. This funding stream has the potential to provide up to £30,000 of grant income a year.

Budget management – The budget for the year anticipated the reduction in grant income caused by the transition to the new Countryside Stewardship Scheme after the expiry of the old agreement. Financial targets were achieved through cost control measures.

Target Operating Model – This process has established that Ashtead Common requires an additional member of staff to sustain the level of service delivery required by the City Corporation. See below.

PLANS FOR FUTURE PERIODS

Key projects for 2022/23 include:

Additional staff resource – An additional Assistant Ranger post will be created and filled during the year. Also, an Apprentice Assistant Ranger will be recruited.

Enhance the visitor experience – Initially focussed on improved presentation standards partly to mitigate the effects of high visitor numbers during lockdown periods, this also includes the reintroduction of events and activities to engage people in the past, present and future story of Ashtead Common.

Implementing the Management Plan – Specifically for year two the plan identifies tasks to enhance biodiversity in wetland habitats, increase the area grazed, manage additional areas of scrub, study fungi and improve the interpretation of historical features.

Implement Countryside Stewardship – Work funded by this grant must be carefully recorded using techniques like before and after photography to provide evidence for the annual claim.

Budget management – Achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity total income for the year was £482,589, an overall decrease of £59,972 against the previous year (£542,561). The decrease was largely due to a reduction in grant income.

Income from Charitable Activities £3,823 (2020/21 £612) comprised of charges for use of facilities, licences and auction sales.

Grants income of £7,620 was received in the year, towards programmes administered by the charity (2020/21: £28,265). The reduction in grant was due to the transition to the new Countryside Stewardship Scheme (CSS). The grants relate to Agri-environment schemes that provide funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil.

An amount of £471,011 (2020/21: £511,064) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £482,589 (2020/21: £542,561) all of which related to charitable activities.

Funds held

The charity's total funds held were £nil as at 31 March 2022 (2020/21: £nil).

Details of funds held, including their purposes, is set out within note 13 to the financial statements.

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Ashtead Common out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the Trustee to be inappropriate.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Climate change – fire, storms, drought, pests (ancient trees particularly vulnerable)	Increase firebreak network. Increase mowing regimes. Increase area of bracken managed. Continue managing habitats to promote species diversity and resilience. Close liaison with Fire Service and comprehensive emergency planning procedures in place.
Zoonotic disease	Oak Processionary Moth (OPM) (allergic reaction) and ticks (Lyme disease) are present on Ashtead Common. Comprehensive arrangements are in place to manage both risks; a survey and risk-based approach to OPM and a graduated risk assessment action plan for Lyme disease.
Fragile old trees	Tree Safety Policy implemented including a zoned approach to safety inspections and high wing procedures. Professional Tree Inspector qualification held by team member.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

xx January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF ASHTEAD COMMON

I report to the trustees on my examination of the accounts of Ashtead Common for the year ended 31 March 2022 which are set out on pages 13 to 24.

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

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Tina Allison, FCCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	**Unrestricted Funds** **2021/22 £**	Unrestricted Funds 2020/21 £
Income from:			
Voluntary activities	2	**7,755**	30,885
Charitable activities	3	**3,823**	612
Grant from City of London Corporation	4	**471,011**	511,064
Total income		**482,589**	542,561
Expenditure on:			
Charitable activities:			
Preservation of Ashtead Common	5	**482,589**	542,561
Total expenditure		**482,589**	542,561
Net income/(expenditure)		**-**	-
Net movement in funds		**-**	-
Reconciliation of funds:			
Total funds brought forward	13	**-**	-
Total funds carried forward	13	**-**	-

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 15 to 24 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Current assets			
Debtors	9	**3,980**	8,811
Cash at bank and in hand		**4,619**	15,522
Total current assets		**8,599**	24,333
Creditors: Amounts falling due within one year	10	**(8,599)**	(22,333)
Net current assets		**-**	2,000
Total assets less current liabilities		**-**	2,000
Creditors: Amounts falling due after more than one year	11	**-**	(2,000)
Total net assets		**-**	-
The funds of the charity:			
Unrestricted income funds	13	**-**	-
Total funds		**-**	-

The notes on pages 15 to 24 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the financial position, including future income levels and the liquidity of the charity over the next 12-month period. The assessment helps to provide assurances that the charity can continue to keep operating over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of charges for use of facilities, contributions, grants, sales and license income

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and it recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in Note 6.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

Ashtead Common comprises 200 hectares (500 acres) of land located in North East Surrey, together with associated buildings. The object of the charity is the preservation in perpetuity of the common at Ashtead as an open space for the recreation and enjoyment of the public. Ashtead Common is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

(j) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(k) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(l) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds **2021/22** **£**	Unrestricted funds 2020/21 £
Grants	**7,620**	28,265
Contributions	**135**	2,620
Total	**7,755**	30,885

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22** **£**	Unrestricted funds 2020/21 £
Charges for use of facilities	**1,046**	51
Sales	**2**	651
Licenses	**2,775**	(90)
Total	**3,823**	612

Licence income incurred a loss in the current year due to the value of credit notes exceeding the value of invoices raised.

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22** **£**	Total 2020/21 £
Revenue and capital grant from City of London Corporation	**471,011**	511,064

Income for the year included:

Grants – being amounts received from organisations towards specific programmes operated by the charity. Grants have been received from Natural England's Stewardship Scheme and the Rural Payments Agency under the basic payment scheme.

Contributions – being amounts contributed towards hosting events and supplying by-product materials to local allotments.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity.

Charitable activities – being amounts generated from licences, an auction sale and charges made to the public for the use of facilities.

5. EXPENDITURE

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation of Ashtead Common	398,324	84,265	**482,589**	459,538	83,023	542,561
Total	398,324	84,265	**482,589**	459,538	83,023	542,561

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Ashtead Common.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the fees incurred from each of its charities. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21 £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

6. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Department:				
Chamberlain	19,077	-	**19,077**	17,176
Comptroller & City Solicitor	3,965	-	**3,965**	-
Town Clerk	-	12,544	**12,544**	14,915
City Surveyor	5,938	-	**5,938**	10,139
Open Spaces directorate	19,380	-	**19,380**	15,238
Other governance & support costs	1,784	1,750	**3,534**	1,824
Digital Services	19,827	-	**19,827**	23,731
Sub-total	69,971	14,294	**84,265**	83,023
Reallocation of governance costs	14,294	(14,294)	**-**	-
Total	**84,265**	**-**	**84,265**	83,023

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

7. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 7 (2020/21: 7).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22 £	2020/21 £
Salaries and wages	**214,924**	224,389
National Insurance costs	**22,244**	22,518
Employer's pension contributions	**47,919**	49,840
Total emoluments of employees	**285,087**	296,747

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was nil (2020/21: nil).

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £3,538 (2020/21: £2,610). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2021/22 (2020/21: £nil).

8. HERITAGE ASSETS

Since 1995 the primary purpose of the charity has been the preservation in perpetuity of the common at Ashtead as an open space for the recreation and enjoyment of the public. As set out in Note 1(i), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Ashtead Common are contained in the Ashtead Common Heritage Conservation Plan 2021. Records of heritage assets owned and maintained by Ashtead Common can be obtained from the Executive Director of Environment at the principal address as stated on page 24.

9. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	**1,059**	1,003
Recoverable VAT	**2,911**	7,808
Other debtors	**10**	-
Total	**3,980**	8,811

10. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**1,428**	18,934
Accruals	**4,165**	2,624
Deferred income	**246**	256
Other creditors	**2,760**	519
Total	**8,599**	22,333

Other creditors consist of listed creditors and a telecommunications wayleave rent deposit

Deferred income analysis within creditors:	**2022** **£**	2021 £
Balance at 1 April	256	295
Amounts released to income	(256)	(295)
Amounts deferred in the year	246	256
Balance at 31 March	**246**	256

11. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2022 **£**	2021 £
Rent Deposits	-	2,000
Total	-	2,000

The 2020/21 rent deposit relates to a telecommunications wayleave that will be returned in 2022/23.

12. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	**Unrestricted funds Total at 31 March 2022**	Unrestricted funds Total at 31 March 2021
	£	£
Current Assets	**8,599**	24,333
Current Liabilities	**(8,599)**	(22,333)
Non-current liabilities	-	(2,000)
Total	-	-

At 31 March 2021	Unrestricted funds Total at 31 March 2021 £	Unrestricted funds Total at 31 March 2020 £
Current Assets	24,333	9,538
Current Liabilities	(22,333)	(7,538)
Non-current liabilities	(2,000)	(2,000)
Total	-	-

13. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	**Total as at 31 March 2022 £**
Unrestricted funds:				
General funds	-	482,589	(482,589)	-

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Total as at 31 March 2021 £
Unrestricted funds:				
General funds	-	542,561	(542,561)	-

14. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 5.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	**2021/22 £**	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	**84,265**	83,023	Management, surveying and administrative services provided for the charity
		(nil)	(nil)	
		471,011	511,064	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Ashtead Common

Registered charity number: 1051510

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

Independent Examiner

Tina Allison, Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

Burnham Beeches and Stoke Common

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 232987

CONTENTS

ORIGINS OF THE CHARITY 2

STRUCTURE AND GOVERNANCE 4

ACHIEVEMENTS AND PERFORMANCE 9

FINANCIAL REVIEW 13

TRUSTEE RESPONSIBILITIES 16

INDEPENDENT AUDITOR'S REPORT 18

STATEMENT OF FINANCIAL ACTIVITIES 21

BALANCE SHEET 22

NOTES TO THE FINANCIAL STATEMENTS 23

REFERENCE AND ADMINISTRATION DETAILS 35

ORIGINS OF THE CHARITY

Burnham Beeches is a 220-hectare area of open space, home to hundreds of living veteran beech and oak pollards. Its natural and cultural heritage area of international importance, the legacy of centuries of interaction between people and the environment.

Burnham Beeches is designated as Site of Special Scientific Interest (SSSI), it is also a National Nature Reserve and a Special Area of Conservation (SAC); there are requirements under the Wildlife and Countryside Act and also a European obligation to manage the Beeches for the benefit of its wildlife.

Stoke Common is an 80-hectare area of open space and contains the largest remnant of Buckinghamshire's once extensive heathland and is also designated as Site of Special Scientific Interest (SSSI).

The Burnham Beeches charity was established under the Corporation of London (Open Spaces) Act 1878 which provided that the purpose of the charity is the preservation in perpetuity of the Open Space known as Burnham Beeches, "the Beeches", as Open Space for the recreation and enjoyment of the public.

On 12 September 2011 the assets of Stoke Common (unregistered) were transferred to Burnham Beeches (232987). After this date the Charity is called Burnham Beeches and Stoke Common.

The objects of the Charity are the preservation in perpetuity by the Corporation of London of the Open Spaces known as Burnham Beeches and Stoke Common, for the perpetual use thereof by the public for recreation and enjoyment and to preserve the natural aspect.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the Corporation of London (Open Spaces) Act 1878 as amended. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of Burnham Beeches and Stoke Common-City Of London. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee** – responsible for allocating resources and administering the charity
- **Finance Committee** – Responsible for administering the Trust on behalf of the Trustee.
- **Audit and Risk Management Committee** – Responsible for overseeing systems of internal control and making recommendations to the Finance Committee of the charity.
- **Epping Forest and Commons Committee** – responsible for the activities undertaken at Burnham Beeches and Stoke Common approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Burnham Beeches and Stoke Common Consultation Group** – provides a forum for local residents and users to comment upon both the management of Burnham Beeches and Stoke Common.
- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

Individuals collectively act as Trustee by virtue of positions that they hold in the City of London Corporation in accordance with the governing document. They act as a Trustee during their tenure of these positions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 35.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as Trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's corporate restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department. Burnham Beeches and Stoke Common became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City of London Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Burnham Beeches and Stoke Common. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are the preservation and maintenance of Burnham Beeches and Stoke common, as Open Spaces for the recreation and enjoyment of the public and to maintain their natural aspect.

Purposes of the charity as set out in the governing document, the Corporation of London (Open Spaces) Act 1878:

- Burnham Beeches and Stoke Common to be kept as open space for public recreation.
- Natural aspect to be preserved.
- Land to be unenclosed and un-built upon, except those features required for better attainment of the Act and deemed necessary by the City.
- Byelaws protecting the site and its features to be enforced.
- Encroachments to be resisted and abated.

Main activities undertaken in relation to these purposes (All day to day activity is governed by 10-year site management plans):

- Practical conservation management activities to maintain the biodiversity of Burnham Beeches and Stoke Common, such as tree surgery work on the veteran and young replacement pollards, restoration of wood pasture and heathland habitats and management of firebreaks, scrub, grassland, bracken and wetland habitats.
- Providing volunteering opportunities to encourage community involvement.
- Providing and maintaining facilities for informal recreation.
- Grazing with cattle, Ponies and other livestock where appropriate.
- Protecting Ashtead Common and its users from harm by patrolling, enforcing byelaws, resisting encroachments, challenging threats and managing assets.
- Providing educational activities and events.
- Surveying and monitoring, for wildlife, visitor use, archaeological investigations and pollution monitoring.
- Managing and protecting three Scheduled Monuments, including an iron age hillfort and 13th century moated farmstead.

Issues the charity is seeking to tackle:

- Burnham Beeches and Stoke Common's natural and cultural heritage are of national and international importance, the legacy of centuries of interaction between people and the environment. As we progress through the 2020's and beyond the challenge of protecting this valuable resource will increase as pressures from environmental and human factors mount.

Aims:

- Maintain the biodiversity of Burnham Beeches and Stoke Common by managing habitats to favourable condition and achieving conservation gains that benefit the site and beyond.

  Governing document link: preserve natural aspect, protect the timber and other trees, pollards, shrubs, underwood and herbage.

- Encourage the sustainable use of Burnham Beeches and Stoke Common for recreation and promote community involvement in all aspects of the site.

  Governing document link: commons acquired by the City to be kept as open spaces for the recreation and enjoyment of the public

- Protect Burnham Beeches and Stoke Common and site users from harm. Challenge threats and maintain assets, including heritage assets, in good condition.

  Governing document link: open spaces kept unenclosed and unbuilt upon. Shall by all lawful means prevent, resist and abate inclosures, encroachments and buildings upon. The City may from time to time make and alter byelaws.

The Burnham Beeches and Stoke Common Management Plans describe the strategy for achieving these aims.

Volunteers

Burnham Beeches and Stoke Common provide a wide range of volunteer opportunities. The Charity normally averages around 6,000 hours of volunteer input a year. In 2021/22 opportunities were still reduced, particularly early on for group activities, due to the Coronavirus pandemic. However, groups restarted with activities split into small teams from May and full group tasks returned in September 2021, individual volunteers supported work throughout the year. Volunteers helped deliver habitat restoration and site maintenance, monitoring activity and care of livestock, all year round, with a total of 4,500 hours of support provided.

Investment Policy

The charity itself has no underlying supporting funds or investments and therefore there is no investment policy.

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within Note 8 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender pay gap.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating to the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023..

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although Burnham Beeches and Stoke Common charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the Trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From March 2021 a donations page has been created on the Burnham Beeches webpage, inviting and enabling the public to make on-line donations to the Burnham Beeches ancient Trees campaign.

The charity has received no complaints in relation to fundraising activities in the current year (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Burnham Beeches and Stoke Common aims and objectives and in planning future activities. The purpose of the charity is the preservation of Burnham Beeches and Stoke Common in perpetuity by the City of London Corporation as the Conservators of Burnham Beeches and Stoke Common, as Open Spaces for the recreation and enjoyment of the public and to conserve the natural aspect.

Consequently, the Trustee considers that Burnham Beeches and Stoke Common operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 35.

ACHIEVEMENTS AND PERFORMANCE

The key targets for 2021/22 together with their outputs and outcomes were:

Protection of Burnham Beeches and Stoke Common from Impact of development
The team have worked with Buckinghamshire Council and Natural England to enforce the mitigation strategy to prevent damage from recreation pressure which includes no additional dwellings within 500m of Burnham Beeches SAC. Buckinghamshire Council have been collecting mitigation payments from new dwellings between 500m and 5.6km and the first project funded by this, to calculate the carrying capacity of Burnham Beeches in terms of visitor numbers, has commenced. The team have also continued to liaise with Slough Borough Council to attempt to gain quality mitigation in respect of the impact of several big housing developments within 5.6km. Both Buckinghamshire Council and Slough Borough Council are in the early stages of Local Plan development and the team are also engaged with this process. A review of the Chilterns Area of Outstanding Local Beauty is also in the early stages and the team are contributing to this process to explore the options for better protection for Burnham Beeches and Stoke Common through expansion of the boundary to include both areas.

Protection of the wider landscape around Burnham Beeches – The team at Burnham Beeches and Stoke Common worked with partner organisations including the National Trust, Buckinghamshire Council and Plantlife to begin to develop proposals to improve the management of the land around Burnham Beeches, so that it better supports and buffers the habitats and species found within the nature

reserve. In 2021/22 this involved carrying out a range of surveys of the land adjacent to the Beeches to help understand what already exists to provide a base line to judge future changes against and ongoing discussions with partners and other landowners on what any future proposals might look like and how they might work.

Protection of Burnham Beeches from very high recreation pressure - The team worked with Buckinghamshire Council to support the implementation of a roadside parking prevention plan, to protect verges and land around Burnham Beeches and prevent nuisance parking on local roads. Detailed proposals have gone through public consultation in 2021/22 but have not yet been made permanent, the previous 6-month temporary restrictions have now lapsed.

The success of the temporary seasonal area and path closures at Burnham Beeches, introduced in late winter 2020/21, were reviewed and were clearly successful in limiting damage to the Scheduled Monuments (SM) and reducing wear in other areas of the SAC. The SM closures were again put in place from December 2021 to the end of March 2022 with clear signage and good alternative access routes made available and have again prevented damage to the monuments. Temporary restrictions were advertised and explained by notices on site and through other means. Car park restrictions were not required in 2021/22.

Work to look at the impact of recreation pressure was also commissioned and will be completed in the next year.

Caring for scheduled Ancient Monuments - The Iron Age hillfort at Burnham Beeches, known as Seven Ways Plain, was subject to a further investigation by archaeologists working for the Heritage Lottery Fund (HLF) funded project, Beacons of the past - Hillforts in the Chilterns Landscape. Sadly, due to Covid 19, public events were limited in 2021/22 to visitor turning up 'adhoc' during the 10 day dig in October 2021. However, over 500 visitors still dropped in during that period and a daily dig 'vlog' highlighted the monument to a wide audience. Finds that may also give a date for the end of use of the monument were also discovered and have gone off for analysis. Work to improve interpretation and help with long term management at Seven Ways Plain and the Moat SM is also underway.

Countryside Stewardship and key habitat management works – With the funding secured for Burnham Beeches and Stoke Common under the new scheme additional wood pasture restoration was undertaken in two areas at Burnham Beeches and all other required work carried out at both sites.

Veteran Trees – 67 ancient trees were worked on and around as per the 10-year work programme and squirrel control continued to ensure reduction in damage on old pollards which are the most important habitat feature at Burnham Beeches and of international significance

Grazing – As per the Burnham Beeches Management plan, a small additional area <0.5 Ha was grazed in 2021/22 at Victory cross as part of the main common. Grazing across the large areas of the Beeches was achieved with the use of invisible fencing (IF) and new a IF system was trialled in autumn 2021

Oak Processionary Moth (OPM) – Following the discovery of Oak Processionary

Moth nests at Stoke Common in 2020, site inspection and control plans were developed and implemented in 2021/22 along with the necessary nest removal. As expected from the small number found in 2020 (just 6 nests), OPM had increased significantly with over 90 nests removed in the summer of 2021. This has also increased the workload of the team with the need for extensive surveys to be undertaken in early summer to ensure as many nests as possible are found and removed as required by the National OPM control due to the location of Stoke Common.

Budget management – The Burnham Beeches and Stoke Common charity achieved financial targets in 2021/22. These were achieved through efficiencies and income generation through the introduction of 7 days a week car parking charges.

Corporate restructure – The corporate restructure process was completed for Burnham Beeches and Stoke Common in 2021/22 and has established that current staffing levels are appropriate.

Additional Achievement:

Pond Dam Wall repairs – Repairs were undertaken to a leaking dam wall of one of the ponds at Burnham Beeches. This work followed effort of many years to identify an affordable project to affect the repair work. The repair work was completed in March 2022. Completion of this work will now allow the team to look at the biological restoration works required at this pond and one other that could not be undertaken until the leak had been resolved.

PLANS FOR FUTURE PERIODS

The aim of the charity is the preservation in perpetuity by the Corporation of London of the Open Spaces known as Burnham Beeches and Stoke Common, for the perpetual use thereof by the public for recreation and enjoyment and to preserve the natural aspect.

Key projects for 2022/23 include:

Protection of Burnham Beeches and Stoke Common from impact of development - The team at Burnham Beeches and Stoke Common we will continue to support Buckinghamshire Council in implementing the mitigation strategy to protect Burnham Beeches from the impact of recreation associated with local development. Payments raised through the strategy will be used to employ an additional Ranger and implement other projects to raise awareness to visitors of their impact on the nature reserve. The team will continue to work with Slough Borough Council to obtain the best protection possible from development pressure caused by housing development and the Slough local plan and to use s106 money already received by Slough Borough Council to employ a further Ranger and to carry out air quality monitoring.

Protection of the wider landscape around Burnham Beeches – The team will continue to work with neighbouring landowners, including the National Trust and the Dorneywood Trust, to change the management of land adjacent to Burnham Beeches to better support the protected species and habitats. This will include using information gathered over the last few years to draw up a plan for the ideal long-term management and obtain costs for delivering this, including potential funding options for delivery.

Protection of Burnham Beeches from very high recreation pressure - The team will continue to work with Buckinghamshire Council to help them implement a roadside parking prevention plan, to protect verges and land around Burnham Beeches and prevent nuisance parking on local roads.

The team will review findings from the visitor impact study that is due to be competed in June 2022. This will further guide action to help minimise damage form heavy recreational use.

Caring for Scheduled Monuments - The Iron Age hillfort at Burnham Beeches, known as Seven Ways Plain (SWP), will be subject to further investigation and interpretation over the next 6 months up to the end of the HLF funded project, Beacons of the past – Hillforts in the Chilterns Landscape, that we have been working in partnership with. In 2022/23 this will include: – development of long term management guidance for both SWP and The Moat SMs; installation of new signage near SWP; launch of augmented reality interpretation; public events to interpret the monument to visitors and involve them in its care and a public excavation of a bank connected to the monument. Works will also be carried out at the Moat SM to protect it from visitor pressure and allow access without damaging the banks of the monument – the work will be supported by site volunteers.

Countryside Stewardship and key habitat management works – With funding secured for Burnham Beeches and Stoke Common under the new scheme additional wood pasture restoration will be undertaken in two areas.

Veteran Trees – Carry out clearance and reduction work as per the 10-year work programme and maintain efforts on squirrel control to ensure reduction in damage on old pollards which are the most important habitat feature at Burnham Beeches and of international significance.

Grazing – Plans from the new management plan 2020 -2029 to further expand the area of Burnham Beeches grazed by livestock will continue in 2022/23 with an expansion of the area grazed by invisible fences. The Beeches will also use a new IF system ‘for real’ during the summer of 2022 which will allow the grazing of areas currently not possible with existing systems and also provide additional information for monitoring of the impact of grazing.

Pond restoration – With the dam wall at Middle Pond being repaired in March 2022 plans will be drawn up for biological restoration works at both Top and Middle ponds at the Beeches. We hope resulting works will be undertaken in the summers of 2022 or 2023.

Oak Processionary Moth (OPM) – Site inspection and control plans will be implemented as required in 2022/23 and numbers of nests dealt with are likely to have increased again this year.

Boardwalks – Two boardwalks at Burnham Beeches (over 200m in total length) will be replaced in 2022/23 to continue to improve access at the National Nature Reserve whilst ensuring damage to vulnerable habitat is minimised.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 23.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity total income for the year was £1,310,506, an overall decrease of £42,608 against the previous year (£1,353,114). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £213,385 from fees charges (2020/21: £144,055) £57,169 from rents (2021/22: £39,487) and £nil from sales (2020/21: £11,860 largely generated by the one off, part exchange sale of a chipper). The increase in income from fees and charges was due to an increase in filming and car park income. From December 2020 car park charges were enforced 7 days a week.

Grants income of £140,290 was received in the year (2020/21: £72,543). Donations income was £3,664 (2020/21: £48,474 which included a legacy payment of £35,014 towards a pond restoration)

An amount of £895,524 (2020/21: £1,035,556) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charities..

Expenditure

Total expenditure for the year was £1,262,241 (2020/21: £1,138,443) all of which related to charitable activities. During 2020/21 fewer cyclical building works took place due to the economic impact of COVID-19. The City Surveyor was tasked by the Chamberlain to review current programmes of work to level the expenditure, smoothing some of the spend into a 'fourth' year to reduce the impact of committed expenditure within the next two years. The City's programme of cyclical repairs and maintenance works to maintain its operational properties in fair to good condition is usually delivered in a number of overlapping three year programmes of works. The programme is monitored by the Corporate Asset Sub Committee of the City of London Corporation.

Funds held

The charity's total funds held increased by £48,265 to £1,052,650 as at 31 March 2022 (2020/21: increased by £214,671 to £1,004,385).

The charity's designated funds consist of unrestricted income which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to 'undesignate' these funds at any time. Designations as at 31 March 2022 totalled £990,252 (2020/21: £944,261) an increase of £45,991. Designated funds within the unrestricted income fund represent the net book value of fixed assets held and a designated fund for Stoke Common.

A general fund of £831 (2020/21: £nil) relates to surplus unrestricted donation income received in 2021/22.

A restricted fund of £61,567 (2020/21: £60,124) was held at year-end. This relates to £60,014 legacy payments for the purpose of specific restoration work (2020/21 £60,014) and £1,553 in Campaign Donations (2020/21 £110). From March 2021 a donations page has been created on the Burnham Beeches webpage, inviting and enabling the public to make on-line donations to the Burnham Beeches Ancient Trees Campaign.

Details of all funds held, including their purposes, is set out within Note 15 to the financial statements.

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Burnham Beeches and Stoke Common out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the Trustee to be inappropriate. Donations are now being sought and these may be carried forward, but there is currently no intention to hold them as a minimum amount owing to the deficit funding status of the charity.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows :

Risk	Actions to manage risks
Health and Safety Failure	Policies and procedures developed and under active review. Staff training for roles and activity undertaken.

Risk	Actions to manage risks
	Staff, volunteers and contractors follow established safety protocols. Regular compliance checks including annual audit.
Local Planning Issues	Impact of visitor and development pressure monitored. Environmental monitoring is carried out. Section 106 funding will be used to employ additional Rangers and mitigation projects. Local plans being developed by neighbouring boroughs are scrutinised and commented on by officers. Production of mitigation strategies with neighbouring local authorities as part of the local plan process.
Tree Diseases and Other Pests	Biosecurity policies and procedures in place and regularly reviewed. An OMP management plan is in place for Stoke Common and a similar one may be introduced for Burnham Beeches if required. Education and information for visitors. Staff and volunteer training to help them recognise issues at early stages. Programme of tree health and annual tree safety inspections in place. Active involvement with leading partners such as Forestry Commission and Natural England.
Climate and Weather	Storm procedures in place and regularly reviewed. Fire plans in place and subject to annual review. Research on impact of climate change on protected habitats of Burnham Beeches and Stoke Common. Ongoing liaison with local fire services to develop emergency plans.
Reduction in direct grant available from the Rural Payments Agency (RPA) to deliver conservation related services across the charity and reduction in Basic Payment Schemes (BPS)	CSS grants secured until 2028. Monitoring of proposed changes to grant options with phasing out of BPS and responding to consultations as required. RPA re-assessement of elements of the previously secured grants may see a reduction for some annual payments related to the management of verteran trees. This is still being actively discussed.
Accelerated long term damage to sites	Visitor numbers have returned to ‘normal’ pre-Covid levels. Although they have still been higher than average at times. Seasonal; area/path restrictions are now part of normal business in order to protect the SAC. Permanent parking restrictions are expected to be installed by Buckinghamshire County Council around Burnham Beeches during the next 12 months.
Cyclical Works Programme (CWP) reduction in 2021/22	Reduction in centrally funded CWP and site maintenance funding for 2022/23 and regular fabric work suspension requiring local budget to deliver needed repairs.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF BURNHAM BEECHES AND STOKE COMMON

Opinion

We have audited the financial statements of Burnham Beeches and Stoke Common ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If,

based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16 and 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and

regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDING 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Voluntary activities	2	142,511	1,443	**143,954**	121,017
Charitable activities	3	270,554	-	**270,554**	195,402
Grant from City of London Corporation	4	895,524	-	**895,524**	1,035,556
Investments	5	474	-	**474**	1,139
Total income		1,309,063	1,443	**1,310,506**	1,353,114
Expenditure on:					
Charitable activities:					
Preservation and operation of Burnham Beeches and Stoke Common	6	1,262,241	-	**1,262,241**	1,138,443
Total expenditure		1,262,241	-	**1,262,241**	1,138,443
Net income/(expenditure) and net movement in funds		46,822	1,443	**48,265**	214,671
Reconciliation of funds:					
Total funds brought forward	15	944,261	60,124	**1,004,385**	789,714
Total funds carried forward	15	991,083	61,567	**1,052,650**	1,004,385

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 23 to 34 form part of these financial statements.

BALANCE SHEET

AS AT MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Tangible assets	10	**859,812**	814,295
Total fixed assets		**859,812**	814,295
Current assets			
Debtors	11	**39,256**	79,163
Cash at bank and in hand		**214,865**	194,865
Total current assets		**254,121**	274,028
Creditors: Amounts falling due within one year	12	**(49,283)**	(71,938)
Net current assets		**204,838**	202,090
Total assets less current liabilities		**1,064,650**	1,016,385
Creditors: Amounts falling due after more than one year	13	**(12,000)**	(12,000)
Total net assets		**1,052,650**	1,004,385
The funds of the charity:			
Restricted income funds	15	**61,567**	60,124
Unrestricted income funds	15	**991,083**	944,261
Total funds		**1,052,650**	1,004,385

The notes on pages 23 to 34 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. The Trustee considers the level of grant funding received and plans activities as a result of this. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. The assessment helps to provide assurances that the charity can continue to keep operating over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised

and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets and the recovery of debts.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2021 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants, investment income, interest, sales and rental income:

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in Note 7.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension Costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finished before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

Burnham Beeches and Stoke Common comprises 303 hectares (748acres) of land in South Buckinghamshire, together with associated buildings. The object of the charity is the preservation of Burnham Beeches and Stoke Common in perpetuity as Open Spaces for the recreation and enjoyment of the public. Burnham Beeches and Stoke Common is considered to be inalienable (i.e. they may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets are included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible Fixed Assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Equipment	5 to 25

(j) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(k) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted Funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted Income Funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated Funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(l) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted funds	**Total 2021/22**	Unrestricted funds	Restricted funds	Total 2020/21
	£	£	**£**	£	£	£
Grants	140,290	-	**140,290**	72,543	-	72,543
Donations and legacies	2,221	1,443	**3,664**	13,350	35,124	48,474
Total	142,511	1,443	**143,954**	85,893	35,124	121,017

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds	**Total 2021/22**	Unrestricted funds	Total 2020/21
	£	**£**	£	£
Charges for use of facilities	213,385	**213,385**	144,055	144,055
Sales	-	**-**	11,860	11,860
Rental income	57,169	**57,169**	39,487	39,487
Total	**270,554**	**270,554**	195,402	195,402

Sales in 2020/21 were largely from the one off part exchange sale of a chipper

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds	**Total 2021/22**	Unrestricted funds	Total 2020/21
	£	**£**	£	£
Revenue and Capital grants	895,524	**895,524**	1,035,556	1,035,556

5. INCOME FROM INVESTMENTS

	Unrestricted funds	**Total 2021/22**	Unrestricted funds	Total 2020/21
	£	**£**	£	£
Interest	474	**474**	1,139	1,139

Income for the year included:

Grants – being amounts received from organisations towards specific programmes operated by the charity. Grants have been received from Natural England's Countryside Stewardship Scheme and the Rural Payments Agency under the basic payment scheme.

Donations – being voluntary amounts received from the public though donations. From March 2021 a donations page have been available on Burnham Beeches webpage, inviting and enabling the public to make on-line donations to The Burnham Beeches ancient Trees campaign.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Charitable activities – being amounts generated from charges made to the public for the use of facilities, such as car parks, the use of the site as a filming location and from the rental of the Beeches Eco Café.

6. EXPENDITURE

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation and operation of Burnham Beeches and Stoke Common	1,110,716	151,525	**1,262,241**	996,422	142,021	1,138,443

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Burnham Beeches and Stoke Common.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fees incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

7. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities	Governance	**2021/22**	2020/21
	£	£	**£**	£
Department:				
Chamberlain	27,702	-	**27,702**	26,713
Comptroller & City Solicitor	4,984	-	**4,984**	-
Town Clerk	-	15,770	**15,770**	18,668
City Surveyor	21,201	-	**21,201**	26,625
Open Spaces directorate	39,702	-	**39,702**	26,027
Other governance & support costs	6,904	5,000	**11,904**	6,950
Digital Services	30,262	-	**30,262**	37,038
Sub-total	130,755	20,770	**151,525**	142,021
Reallocation of governance costs	20,770	(20,770)	**-**	-
Total	**151,525**	-	**151,525**	142,021

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

8. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 13 (2020/21: 13).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**406,239**	428,687
National Insurance costs	**39,346**	42,620
Employer's pension contributions	**89,391**	93,757
Total emoluments of employees	**534,976**	565,064

The number of directly charged employees whose emoluments (excluding employer's pension contribution) for the year were over £60,000 was nil (2020/21: nil).

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £7,732 (2020/21: £4,996). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2021/22 (2020/21: £nil).

9. HERITAGE ASSETS

Since 1880 the primary purpose of the charity has been the preservation of Burnham Beeches and stoke Common for the recreation and enjoyment of the public and the preservation of the natural aspect. As set out in Note 1(j), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Burnham Beeches and Stoke Common are contained in the Management plans for Burnham Beeches and Stoke Common. Records of heritage assets owned and maintained by Burnham Beeches and Stoke Common can be obtained from the Executive Director of Environment at the principal address as stated on page 35.

10. TANGIBLE FIXED ASSETS

	Land and Buildings	Infrastructure	Plant	Equipment	**Total**
	£	£	£	£	**£**
Cost					
At 1 April 2021	835,256	87,650	-	165,045	**1,087,951**
Additions	-	38,774	50,000	-	**88,774**
Disposals	-	-	-	-	-
At 31 March 2022	835,256	126,424	50,000	165,045	**1,176,725**
Depreciation					
At 1 April 2021	268,656	-	-	5,000	**273,656**
Charge for the year	18,148	8,604	-	16,505	**43,257**
Disposals	-	-	-	-	-
At 31 March 2022	286,804	8,604	-	21,505	**316,913**
Net book value					
At 31 March 2022	548,452	117,820	50,000	143,540	**859,812**
At 31 March 2021	566,600	87,650	-	160,045	**814,295**

11. DEBTORS

	2022	2021
	£	£
Rental debtors	2,353	6,506
Prepayments and accrued income	3,754	3,535
Recoverable VAT	23,486	19,508
Other debtors	9,663	76
Sundry debtors	-	49,538
Total	39,256	79,163

12. CREDITORS – AMOUNT FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	29,969	28,058
Accruals	13,070	34,756
Deferred income	2,703	6,526
Other creditors	3,541	2,598
Total	49,283	71,938

Deferred income relates to rental income received in advance for periods after the year-end.

	2022	2021
Deferred income analysis within creditors:	£	£
Balance at 1 April	6,526	5,827
Amounts released to income	(6,526)	(5,827)
Amounts deferred in the year	2,703	6,526
Balance at 31 March	2,703	6,526

13. CREDITORS - AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Sundry deposits	12,000	12,000

The Sundry deposit relates to a Café rent deposit.

14. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted Income Funds		Restricted Funds	**Total at 31 March 2022**	Total at 31 March 2021
	General Funds	Designated Funds			
	£	£	£	**£**	£
Tangible Assets	-	859,812	-	**859,812**	814,295
Current Assets	62,114	130,440	61,567	**254,121**	274,028
Current Liabilities	(49,283)	-	-	**(49,283)**	(71,938)
Non-current liabilities	(12,000)			**(12,000)**	(12,000)
Total	**831**	**990,252**	**61,567**	**1,052,650**	1,004,385

At 31 March 2021	Unrestricted Income Funds		Restricted Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Tangible Assets	-	814,295	-	814,295	634,748
Current Assets	83,938	129,966	60,124	274,028	311,320
Current Liabilities	(71,938)	-	-	(71,938)	(156,354)
Non-current liabilities	(12,000)	-	-	(12,000)	-
Total	-	944,261	60,124	1,004,385	789,714

15. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	**Total as at 31 March 2022**
	£	£	£	**£**
Restricted funds:				
Legacy income	60,014	-	-	**60,014**
Campaign donations	110	1,443	-	**1,553**
Total restricted funds	60,124	1,443	-	**61,567**
Unrestricrted funds:				
General funds	-	1,219,815	(1,218,984)	**831**
Designated funds:				
Stoke Common	129,966	474	-	**130,440**
Capital Adjustment Account	561,600	-	(43,257)	**518,343**
Infrastructure	87,650	38,774	-	**126,424**
Furniture and Equipment	165,045	-	-	**165,045**
Plant	-	50,000	-	**50,000**
Total designated funds	944,261	89,248	(43,257)	**990,252**
Total unrestricted funds	944,261	1,309,063	(1,262,241)	**991,083**
Total funds	1,004,385	1,310,506	(1,262,241)	**1,052,650**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Total as at 31 March 2021 £
Restricted funds:				
Legacy income	25,000	35,014	-	60,014
Campaign donations	-	110	-	110
Total restricted funds	25,000	35,124	-	60,124
Unrestricrted funds:				
General funds	-	1,115,295	(1,115,295)	-
Designated funds:				
Stoke Common	129,966	-	-	129,966
Capital Adjustment Account	584,748	-	(23,148)	561,600
Infrastructure	-	87,650	-	87,650
Furniture and Equipment	50,000	115,045	-	165,045
Total designated funds	764,714	202,695	(23,148)	944,261
Total unrestricted funds	764,714	1,317,990	(1,138,443)	944,261
Total funds	789,714	1,353,114	(1,138,443)	1,004,385

Purposes of restricted funds

Legacy income - To be held and spent in accordance with the donator's wishes in maintaining a pond area.

Campaign donations - Represents funds received from the public through donations. From March 2021 a donations page has been created on Burnham Beeches webpage, inviting and enabling the public to make on-line donations to the Burnham Beeches ancient trees campaign. In total, £1,443 was received during the year (2020/21: £110).

Purposes of unrestricted funds

General fund – Consists of surplus unrestricted donation income. Unrestricted donations received during the year were £2,221 (2020/21 £13,350) of which £831 (2020/21 £nil) was surplus and transferred to the general fund.

Designated funds have been set aside by the Trustee for the following purposes:

Fixed Assets (Capital Adjustment Account Fund, Infrastructure Fund and Furntiture and Equipment Fund) – Plant and equipment are included at historic cost less provision for depreciation and any impairment. The net book value of fixed assets at 31 March 2022 was £859,812 and is represented by these three designated funds (2020/21: £814,295, three designated funds)

Stoke Common designated fund – Stoke Common was acquired by the City of London from South Bucks District Council on 31 October 2007. On 12 September 2011 the assets and liabilities of Stoke Common were transferred to Burnham Beeches and Stoke Common. £109,872 was transferred, being the balance of the lump sum from South Buckinghamshire District Council; interest accrued to date is reflected in the balance of £130,440 as at 31 March 2022 (2020/21: £129,966). This lump sum is to fund on-going maintance costs of Stoke Common.

16. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in Note 6.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	**Connected party**	**2021/22 £**	2020/21 £	**Detail of transaction**
City of London Corporation	The City of London Corporation is the Trustee for the charity	**895,524**	1,035,556	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	
		151,525	142,021	Administrative services provided for the charity
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME Burnham Beeches and Stoke Common

Registered charity number 232987

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION

Guildhall, London, EC2P 2EJ

TRUSTEE

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

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Epping Forest

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 232990

CONTENTS

Origins of the charity 1

Structure and governance 2

Achievements and performance 6

Financial review 10

Trustee responsibilities 12

Independent auditor’s report 17

Statement of financial activities 20

Balance sheet 21

Notes to the financial statements 22

Reference and administration details 38

ORIGINS OF THE CHARITY

As one of the earliest publicly- accessible wild landscapes in England, Epping Forest predates the UK's National Parks by nearly 80 years and shares a common bond in seeking to preserve the wildness of a treasured landscape whilst guaranteeing widespread public access.

Purchased by the City of London Corporation under founding legislation The Epping Forest Act 1878, the Forest was then dedicated by Queen Victoria "for the enjoyment of my people forever", and as the custodian of the Forest, the City and the Forest's Conservators have continued to conserve it for everyone to enjoy.

Promoting and enabling public access to the Forest remains our guiding principle and we strive to exceed visitors' expectations by providing a safe and welcoming environment, rich in wildlife, which offers activity and excitement, and peace and tranquillity in equal measure. We welcome 4.2 million people to the Forest every year, and we want all Londoners to continue to value their Forest, and for visitors from further afield to benefit from all that the Forest has to offer.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

The governing documents are the Epping Forest Acts 1878 and 1880 as amended. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Epping Forest. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. For Epping Forest, Elected Aldermen and Members of the City of London Corporation are appointed to the Epping Forest and Commons Committee, together with four Verderers - locally elected by Epping Forest Commoners in elections held every seven years - governing Epping Forest for the Court of Common Council of the City of London Corporation.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Investment Committee –** responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.
- **Epping Forest & Commons Committee –** responsible for the activities undertaken at Epping Forest, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Epping Forest Consultative Committee –** considers and discusses areas of concern or debate at Epping Forest with representative user groups across the Forest– particularly those due to be raised at Epping Forest and Commons Committee.

- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 38.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department, and Epping Forest became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Epping Forest. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation of Epping Forest in perpetuity, as an open space for the recreation and enjoyment of the public. The open space consists of the lands known as Epping Forest including Wanstead Park and Highams Park in Essex. Various buffer lands have been acquired by the City Corporation around the edges of Epping Forest.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 38.

Volunteers

Epping Forest welcomes volunteers both directly and through partner organisation in all aspects of Forest management from conservation, to front of house and Rangers.

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place

at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although Epping Forest charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From March 2021 a donations page has been created on the Epping Forest webpage, inviting and enabling the public to make on-line donations to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign.

The charity has received no complaints in relation to fundraising activities in 2021/22 (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Epping Forest's aims and objectives and in planning future activities. The purpose of the charity is the preservation of Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for the recreation and enjoyment of the public.

This charity is operated as part of the City of London Corporation's City's Cash. The City of London Corporation is committed to fund the ongoing net operational costs of the charity in accordance with the purpose which is the preservation of Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Epping Forest operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 38.

ACHIEVEMENTS AND PERFORMANCE

The Teams across Epping Forest have ensured that the Forest remained open and accessible throughout the COVID-19 pandemic. However, with the focus on keeping the Forest open, tidy and safe, this did impact on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

Epping Forest's 2021/22 aims together with their outcomes were:

Carbon Reduction -The Carbon reduction project aims and objectives continue to be reviewed centrally. Key role descriptions have been drawn up and grades assessed, with recruitment planned alongside corporate restructures.

Epping Forest Management Plan and Strategy – The Plan has been finalised and published, with progress being made on key documents, policies and projects detailed within. Some reprioritisation has been necessary due to Covid-19 and corporate restructure.

Local Planning Process - The Charity continues to represent concerns regarding the conservation of Epping Forest through the Local Planning Process with Local Authorities in order to protect the unique and delicate nature of the Epping Forest habitat.

Wanstead Parkland Plan – is progressing and continues to address areas such as Reservoir Risk, Heritage at Risk, Water Abstraction and Flood Risk to address statutory obligations in these areas.

Car Parking - Car parking charging phases one and two are complete with charging introduced at 38 car parks during 2021. Further work on remaining sites is underway, as are complementary workstreams to review Byelaws.

Implementation of Customer Relationship Management (CRM) – Implementation of CiviCRM™ software to enable efficient and compliant handling of contact data, event booking, licensing, work requests, fundraising and other customer contacts has been slower than originally planned but initial testing was completed in March 2022 with go-live expected early in 2022-23 financial year. A concurrent project to adopt StarTraq® software to manage, monitor and support payments and fines for Fixed Penalty Notices (FPNs) and Penalty Charge Notices (PCNs) is almost complete.

Developing sporting partnership opportunities - The charity continues to investigate the benefit of working with partner organisations to improve the sporting offer at Epping Forest, particularly in the existing offer of football and golf, but possibly to include other formal sports, or improve opportunities for informal fitness activities for Forest users. This should also address the issues of the costs of providing these facilities and likely income to the charity. Projects have been delayed due to Covid-19 and the effect this has had, particularly on partner organisations, but projects are being pursued once again.

Lodges – Renovation of lodges particularly at Jubilee Retreat, Blake Hall Road and Wanstead Park have slowed due to structural and internal complications of scheduling and priority. Rangers Road is close to completion of extensive overhaul to become a second holiday let, following the success of the first at Baldwins Hill. Plans for alternative routes for investment in such properties are being considered.

Countryside Stewardship Scheme (CSS) - The work programme for the CSS has begun, including final stage procurement of several felling contracts, under 100% capital grant aid, for work across two years from 2021 to 2023.

New Cattle Grazing System - GPS-driven invisible fencing is proving successful and new areas for grazing are being considered following a successful trial at Wanstead Park.

Special Areas of Conservation (SAC) Mitigation Strategy - The Oversight Group has completed negotiations over the strategy's governance and financing arrangements and the first transfer of tariff monies from the local authorities to Epping Forest to pay for the Strategic Access Management and Monitoring Strategy (SAMMS) works is still under discussion. The priority SAMMS works are likely to include work at Leyton Flats and High Beach on new pathways to reduce damage to ancient trees and flora from visitor pressure.

Sustainable Fleet and Operations – A number of vehicles with much improved environmental performance have been sourced to achieve compliance with recently extended ULEZ.

Budget Management – Financial targets achieved particularly through income diversification, chiefly introduction of parking charges.

Corporate Restructure – Epping Forest is now part of the Environment Department, with structures currently under review.

PLANS FOR FUTURE PERIODS

The global pandemic of Coronavirus was still very much part of operations at the start of 2021/22. This may have an impact on income and ability to deliver some projects in the next 12 months.

Key projects for 2022/23 include:

Corporate Restructure – To continue with the corporate restructure review designed to implement the new City Corporation Corporate Plan as set out, consulting on and embedding new structures in 2022/23 that improve efficiency and bring greater ability to seek opportunities for improved income diversification.

Carbon Reduction - The Carbon Recovery Project has commenced delivery with the arable reversion of Epping Forest Buffer Land at Patmores Field. Specialist Land Agents are advancing discussions on the surrender of arable tenancies, and recruitment to project staff roles are on hold until the completion of the Land use Consultants' detailed evaluation of the Natural Environment Division's potential sequestration capacity.

Special Areas of Conservation (SAC) Mitigation Strategy - The Oversight Group has agreed the governance and finance arrangements of the strategy and the City of London await confirmation of approval by all the relevant Local Authority decision making committees. The City of London will act as the 'banker' for the Strategic Access Management and Monitoring Strategy (SAMMS) contributions. The priority SAMMS works will focus on improvements to access infrastructure at Leyton Flats and High Beach, due to their high visitor attraction.

Wanstead Parkland Plan – In association with local community partners, initial funding to undertake a phased development of a natural play area has been achieved and work is scheduled. The second phase of community-funded Grotto restoration will be underway in summer 2022; assessments and works to stabilise the Grotto façade are also planned. Next phases for replacing the derelict pump house by the River Roding and for installing land drainage within the Glade will commence. Following the completion of flood modelling research, some £1m of works to strengthen dam faces and level dam tops are anticipated to address the 'High Risk' flood safety status notified by the Environment Agency.

Baldwins & Birch Hall Park Ponds Small Raised Reservoirs - Managed under the Health and Safety at Work Act, these Victorian sub-25,000 cubic metre raised reservoirs require significant works to manage leakage and safe overtopping, using procured external specialist contractors.

Sustainable Visitor Strategy and Car Parking – To draw up and publish an Epping Forest Sustainable Visitor Strategy setting out our aims and objectives for balancing visitor numbers and enjoyment of the Forest with protection of this valuable habitat. This includes completion of the final stages of the car parking plan and move to business as usual. The coming year should see a reduction in penalties and vandalism to car parking infrastructure.

Byelaw Review – Last updated in 1980, a very necessary review of the current byelaws in place for Epping Forest and Wanstead Park will be carried out to reflect wider changes to the law, the manner in which our visitors engage with the Forest and additional statutory designations, and where change is needed, the review will engage with Defra to explore how the byelaws can be brought up-to-date in line with the modern demands on the open space.

Implementation of new Customer Service and Regulatory Software - To complete build and testing of CiviCRM™ and StarTraq® software which together will enable efficient and compliant handling of contact data, event booking, licensing, work requests, fundraising, Penalty Charge Notices (PCNs) and other customer contacts, and all associated payment streams.

Developing sporting partnership opportunities - The charity continues to investigate the benefit of working with partner organisations to improve the sporting offer at Epping Forest, particularly in the existing offer of football and golf, but possibly to include other formal sports where possible, or improve opportunities for informal fitness activities for Forest users. This should also address the issues of the costs of providing these facilities and likely income to the charity. Projects have been delayed due to Covid-19 and the effect this has had, particularly on partner organisations, but projects are being pursued once again.

Lodges – To review and reprioritise renovation of lodges, particularly in the light of changing staff terms and conditions through corporate restructure. To review financial structures allowing for more sustainable investment and improved efficiency moving forward.

Countryside Stewardship Scheme (CSS) - The work programme for the CSS Epping Forest #1 Grant has commenced, including final stage procurement of several felling contracts, under 100% capital grant aid, for work across two years from 2021 to 2023. Further bids are in progress for Epping Forest #2, Wanstead Park and Copped Hall Park.

Conservation Cattle Grazing – To improve cattle housing buildings at the Great Gregories overwintering facility, test the extension of the cattle grazing season and increase cattle grazing days in the Forest, including new areas identified by the GIS-based Grassland Gazetteer assessment.

Sustainable Fleet and Operations – We will continue to upgrade our ageing fleet to improve environmental performance and achieve compliance with recently extended ULEZ requirements.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 22.

The Trustee is monitoring the situation and will continue with its purpose to preserve Epping Forest in perpetuity by the City of London Corporation as the Conservators of Epping Forest, as an Open Space for recreation and enjoyment of the public.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £7,263,658, an overall increase of £623,546 against the previous year (£6,640,112). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £1,359,149 from charges for use of facilities and licences (2020/21: £742,416), £541,531 from rents (2020/21: £430,703) and £100,784 from sales of goods, products and materials (2020/21: £76,905). 2021/22 saw an increase in fees and charges for use of facilities owing to car parking charges being introduced during 2021 and a large scale licenced use of Forest Land for works compound. The increase in rent income was due to a rent review and lettings of Forest lodges.

In total, grant income of £502,243 was received in the year, towards programmes administered by the charity (2020/21: £302,944) (see below).

- A government grant of £119,774 was received in the year from the Rural Payment Agency (RPA), which provides funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil. (2020/21: £175,944).

- A capital property receipt of £118,000 (2020/21: £127,000) was received in 2021/22 from proceeds from the Deed of Easement in relation to three properties on Epping Forest Land. The full amount of income was designated in the Epping Forest Capital Fund which can be used for the acquisition of Forest land or capital projects in the Forest.

- A new restricted government grant of £264,469 in relation to the 10 year Countryside Stewardship Scheme was received in the year from the Rural Payment Agency towards a specific programme administered by the charity providing financial incentives for farmers, woodland owners, foresters and land managers to look after and improve the environment (2020/21: £nil).

A restricted donation of £9,000 was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest (2020/21: £12,821 received from the Highams Park Community CIC for improvements at Epping Forest).

Donations – being amounts received from the public through donation boxes at the Temple and at the View. In total £894 was received during the year (2020/21: £56). Donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. In total, £635 was received during the year (2020/21: £90). The full amount was held at 31 March 2022 in a restricted fund for 'Campaign Donations'. Furthermore, £216,004 was received during the year from Orion Harriers towards Epping Jubilee Retreat extension costs for the Staff Welfare Facilities at Epping Forest (2020/21: £nil).

Investment income of £3,171 (2020/21: £6,283) received during the year consists of distributions from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

Other income of £3,112 was received in relation to Coronavirus Job Retention Scheme (2020/21: £8,916). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

An amount of £4,527,135 (2020/21: £5,058,978) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year relating to charitable activities expenditure was £7,351,365 (2020/21: £6,665,397). The increase in expenditure in the year mainly relates to premises related expenses, transport related expenses and supplies and services.

Funds held

The charity's total funds held decreased by £87,522 to £6,298,463 as at 31 March 2022 (2020/21:decreased of £24,521 to £6,385,985).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2022 totalled £6,171,657 (2020/21: £6,385,895).

A restricted fund of £126,806 (2020/21: £90) was held at year-end. This relates to Campaign Donations of £725 and to the Countryside Stewardship Scheme of £126,081. Donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. Plans are being put in place for utilising these funds.

Details of all funds held, including their purposes, is set out within note 17 to the financial statements.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 years	**5 years**	3 years	5 years
Fund	**+7.35%**	**+6.16%**	+5.04%	+7.19%
FTSE All Share	**+5.31%**	**+4.69%**	+3.19%	+6.29%
Fund outperformance	**+2.04%**	**+1.47%**	+1.85%	+0.90%

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Epping Forest out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the trustee to be inappropriate.

Donations are now being sought which may carried forward into future years to contribute to a larger project, but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Decline in Assets condition	Schedule of statutory checks and visits carried out by City Surveyor or delegated to site. Joint inspection of all buildings including residential by site and City Surveyor to capture maintenance needs. Improvements to Great Gregories. Capital funding being sought for essential works to Aldersbrook changing facilities.
Wanstead Park Reservoirs	Engineering study was completed in November 2020 which recommended a lower level of activity than originally envisaged. Outline options are being considered with procurement of professional expertise to refine options.
Raised Reservoirs	Weekly inspection of reservoirs / dams. Statutory inspection visits by engineer every six months. Complete works on Birch Hall Park Pond. Undertake surveys and investigate funding options for works on other ponds.
Accelerated long-term damage to site	Implement mitigation program which was developed from results of Path Survey. Funding for works is being sought.
Invasive Non-Native Species (INNS)	Develop an INNS policy - particular focus on Oak Processionary Moth, although other pathogens and areas of concern to be tackled. Track works done to mitigate the spread of Oak Processionary Moth in Epping Forest.
Development Consents close to Forest Land	Continue to influence the Epping Forest District Council, London Borough of Waltham Forest and other surrounding local plans. Look to embed the Epping Forest

Risk	Actions to manage risks
	Special Area of Conservation (SAC) Mitigation Strategy in Local Plans and to ensure robust monitoring of the effectiveness of mitigation measures.
Loss of Forest Land and/or concession of prescriptive rights	Audits of all forest compartments to be completed. Work with City Surveyor's and Comptroller and City Solicitor's Departments to consider whether legal action is required to settle disputes.
Financial management and loss of income	Working to deficit budget reduction targets by increasing income generation e.g. from car parking charges. Further efficiencies and income enhancement to be sought.
Declining Site of Special Scientific Interest (SSSI)/Special Area of Conservation (SAC) Condition	Application for a further Countryside Stewardship grant is likely to be submitted in 2023. Remodel the in-house grazing expansion plan using the new GPS invisible fencing system.
Pathogens	Implement actions arising from Massaria survey. Annual inspection of all Rhododendron and Larch to ensure Ramorum disease does not spread. Develop a biosecurity policy for whole Forest, building on Ramorum security policy approach. Measures will be integrated into the INNS Action Plan during 2022.
Increase in Health and Safety incidents/Catastrophic Health & Safety failure	Health & Safety training (operational) system in place. Clear role and responsibilities set out in documentation and reinforced by training. Annual Health & Safety checks on all licensed refreshment and food outlets in the forest (excluding ice cream vans). Works identified from tree survey are being prioritised and options for employing additional staff to undertake the works are being considered..
Wanstead Park – Heritage at Risk Register	Sources of funding continue to be investigated. An application for Countryside Stewardship for 2023 is being actively considered.
Major Incident resulting in prolonged 'Access Denial'	The Emergency Action Plan was tested successfully during the pandemic using JESIP (Joint Emergency Services Interoperability Principles) and has been implemented and supported by additional measures.
Public behaviour	Public Spaces Protection Orders (PSPO's) are in place. These and other dog control measures are monitored and action taken where appropriate. Multi-disciplinary approach with enforcement and outreach team. Develop relationships with local authority neighbours, police services, fire service etc.
Severe Weather Events	Incident Management Plan updated to incorporate wildfire planning and JESIP protocols for joint action across authorities.

Risk	Actions to manage risks
	Site visits by fire services to confirm infrastructure is satisfactory have been scheduled. Tree safety survey has identified necessary works. Relevant works are being prioritised and options for employing additional staff or contractors to carry them out are being considered.
Loss of knowledge of skilled staff/difficulties in recruitment	Succession plan approved and to be reviewed annually. Talent Management Strategy to be developed but deferred awaiting outcome of corporate restructure.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation

Randall Keith Anderson, Deputy
Deputy Chairman of Finance Committee
of The City of London Corporation

Guildhall, London

xx January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF EPPING FOREST

Opinion

We have audited the financial statements of Epping Forest ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 and 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect

on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds 2021/22 £	Restricted Funds 2021/22 £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Voluntary activities	2	238,668	490,108	**728,776**	315,911
Charitable activities	3	2,001,464	-	**2,001,464**	1,250,024
Grant from City of London Corporation	4	4,527,135	-	**4,527,135**	5,058,978
Investments	5	3,171	-	**3,171**	6,283
Other income	6	3,112		**3,112**	8,916
Total income		6,773,550	490,108	**7,263,658**	6,640,112
Expenditure on:					
Charitable activities:					
Preservation of Epping Forest	7	7,203,977	147,388	**7,351,365**	6,665,397
Total expenditure		7,203,977	147,388	**7,351,365**	6,665,397
Net gains on investments	12	185	-	**185**	764
Net expenditure		(430,242)	342,720	**(87,522)**	(24,521)
Transfers between funds		216,004	(216,004)	**-**	-
Net movement in funds		(214,238)	126,716	**(87,522)**	(24,521)
Reconciliation of funds:					
Total funds brought forward	17	6,385,895	90	**6,385,985**	6,410,506
Total funds carried forward	17	6,171,657	126,806	**6,298,463**	6,385,985

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 22 to 38 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Heritage assets	10	**378,911**	379,872
Tangible assets	11	**4,849,752**	4,971,853
Investments	12	**4,058**	3,873
Total fixed assets		**5,232,721**	5,355,598
Current assets			
Stock		**28,077**	46,671
Debtors	13	**443,120**	262,751
Cash at bank and in hand		**1,428,251**	1,180,589
Total current assets		**1,899,448**	1,490,011
Creditors: Amounts falling due within one year	14	**(769,946)**	(411,114)
Net current assets/(liabilities)		**1,129,502**	1,078,897
Total assets less current liabilities		**6,362,223**	6,434,495
Creditors: Amounts falling due after more than one year	15	**(63,760)**	(48,510)
Total net assets		**6,298,463**	6,385,985
The funds of the charity:			
Restricted income funds	17	**126,806**	90
Unrestricted income funds	17	**6,171,657**	6,385,895
Total funds		**6,298,463**	6,385,985

The notes on pages 22 to 38 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charities, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. The assessment helps to provide assurances that the charity can continue to keep operating over the next 12-month period from these financial statements being signed. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets and the recovery of debts.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for services and use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included with support costs.

(g) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

Epping Forest comprises 2,485 hectares (6,142 acres) of land stretching 12 miles from Manor Park in East London to just north of Epping in Essex, together with associated buildings. The object of the charity is the preservation of Epping Forest in perpetuity as an Open Space for the recreation and enjoyment of the public. Epping Forest is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Equipment	5 to 25
Infrastructure	up to 20
Heavy vehicles and plant	5

(j) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(k) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(l) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation’s treasury management activities with original maturities of three months or less.”

(m) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over

expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(n) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted funds	**Total 2021/22**	Unrestricted funds	Restricted funds	Total 2020/21
	£	£	**£**	£	£	£
Grants	237,774	264,469	**502,243**	302,944	-	302,944
Donations and legacies	894	225,639	**226,533**	12,877	90	12,967
Total	238,668	490,108	**728,776**	315,821	90	315,911

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22** **£**	Unrestricted funds 2020/21 £
Charges for use of facilities	**1,359,149**	742,416
Sales	**100,784**	76,905
Rental income	**541,531**	430,703
Total	**2,001,464**	1,250,024

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Revenue and capital grants from City of London Corporation	**4,527,135**	5,058,978

5. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Interest	**3,171**	6,283

6. OTHER INCOME

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Other income	**3,112**	8,916

Income for the year included:

Grants – being amounts received from organisations towards programmes operated by the charity.

- Grant income received from the Rural Payment Agency (RPA) which provides funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil.

- A capital property receipt was credited to the Epping Forest Fund from proceeds from the Deed of Easement in relation to three properties which can be used for the acquisition of Forest land or capital projects in the Forest.

- Countryside Stewardship Scheme – 10 year grant funding from the Rural Payment Agency towards a specific programme administered by the charity providing financial incentives for farmers, woodland owners, foresters and land managers to look after and improve the environment.

Donations – being amounts received from the public through donation boxes at the Temple and at the View. Donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. A restricted donation was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

Charitable activities – being amounts generated from the sales of leaflets, books, maps cards and other publications relating to Epping Forest; charges made to the public for the use of facilities, admissions and services and from rental income.

Other income - included in Other Income on the Statement of Financial Activities is Coronavirus Job Retention Scheme income. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

Expenditure on charitable activities

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation of Epping Forest	6,225,588	1,125,777	**7,351,365**	5,564,546	1,100,851	6,665,397

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Epping Forest.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Department:				
Chamberlain	170,320	-	**170,320**	161,195
Comptroller & City Solicitor	32,965	-	**32,965**	-
Town Clerk	-	104,294	**104,294**	123,958
City Surveyor	334,933	-	**334,933**	368,381
Open Spaces directorate	223,295	-	**223,295**	163,511
Other governance & support costs	84,877	5,000	**89,877**	78,147
Digital Services	170,093	-	**170,093**	205,659
Sub-total	1,016,483	109,294	**1,125,777**	1,100,851
Reallocation of governance costs	109,294	(109,294)	**-**	-
Total support costs	1,125,777	-	**1,125,777**	1,100,851

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

9. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 77 (2020/21: 81).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22 £	2020/21 £
Salaries and wages	**2,237,668**	2,328,878
National Insurance costs	**213,948**	219,772
Employer's pension contributions	**478,609**	486,762
Total emoluments of employees	**2,930,225**	3,035,412

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was 1.0 (2020/21: 1.0).

	2021/22	2020/21
£70,000 - £79,999	**1.0**	1.0

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Natural Environment who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £45,781 (2020/21: £29,721). The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: £nil).

10. HERITAGE ASSETS

	2018 £	2019 £	2020 £	2021 £	**2022 £**
Cost					
At 1 April	388,382	388,382	388,382	388,382	**388,382**
At 31 March	388,382	388,382	388,382	388,382	**388,382**
Depreciation					
At 1 April	4,667	5,628	6,589	7,550	**8,510**
Charge for the year	961	961	961	960	**961**
At 31 March	5,628	6,589	7,550	8,510	**9,471**
Net book value					
At 31 March 2022	382,754	381,793	380,832	379,872	**378,911**
At 31 March 2021	384,675	382,754	381,793	380,832	379,872

Since 1878 the primary purpose of the charity has been the preservation of Epping Forest for the recreation and enjoyment of the public. As set out in Note 1(i), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Epping Forest are contained in the Epping Forest Conservation Management Plan. Records of heritage assets owned and maintained by Epping Forest can be obtained from the Executive Director Environment at the principal address as stated on page 38.

11. TANGIBLE FIXED ASSETS

	Land and Buildings	Infrastructure	Vehicles and Plant	Equipment	**Total**
	£	£	£	£	**£**
Cost					
At 1 April 2021	3,661,845	4,332,633	255,528	409,738	**8,659,744**
Additions	280,525	7,487	50,000	-	**338,012**
At 31 March 2022	3,942,370	4,340,120	305,528	409,738	**8,997,756**
Depreciation					
At 1 April 2021	1,697,785	1,513,672	131,759	344,675	**3,687,891**
Charge for the year	197,833	230,954	25,904	5,422	**460,113**
At 31 March 2022	1,895,618	1,744,626	157,663	350,097	**4,148,004**
Net book value					
At 31 March 2022	2,046,752	2,595,494	147,865	59,641	**4,849,752**
At 31 March 2021	1,964,060	2,818,961	123,769	65,063	4,971,853

12. FIXED ASSET INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	3,873	3,109
Gain/(loss) for the year	185	764
Market value 31 March	**4,058**	3,873
Cost 31 March	438	438
Units held in Charities Pool	**438**	438

The geographical spread of listed investments as at 31 March 2022 was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	3,299	463	**3,762**	3,164	449	3,613
Bonds	-	-	**-**	-	-	-
Pooled Units	239	-	**239**	206	-	206
Cash held by Fund Manager	57	-	**57**	54	-	54
Total	3,595	463	**4,058**	3,424	449	3,873

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Rental debtors	**24,576**	85,573
Prepayments and accrued income	**39,049**	36,119
Recoverable VAT	**119,586**	48,296
Other debtors	**259,909**	92,763
Total	**443,120**	262,751

Other debtors consist of non-property related debtors of £65,013 (2020/21: £23,411) and sundry debtors of £194,896 (2020/21: £69,352). The increase in sundry debtors relates to the new Countryside Stewardship Scheme.

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**263,919**	86,460
Accruals	**352,531**	228,177
Deferred income	**123,899**	70,619
Other creditors	**29,597**	25,858
Total	**769,946**	411,114

Other creditors consist of sundry creditors.

Deferred income relates to rental income received in advance for periods after the year-end.

	2022	2021
Deferred income analysis within creditors:	**£**	£
Balance at 1 April	**70,619**	85,802
Amounts released to income	**(70,619)**	(85,802)
Amounts deferred in the year	**123,899**	70,619
Balance at 31 March	**123,899**	70,619

15. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Sundry deposits	**63,760**	48,510

These consist of rent deposits due after more than one year.

16. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted Income Funds		Restricted Funds	**Total at 31 March 2022**	Total at 31 March 2021
	General Funds	Designated Funds			
	£	£	£	£	£
Heritage Assets	-	378,911	-	**378,911**	379,872
Tangible Assets	-	4,849,752	-	**4,849,752**	4,971,853
Investments	-	4,058	-	**4,058**	3,873
Current Assets	833,706	938,936	126,806	**1,899,448**	1,490,011
Current Liabilities	(769,946)	-	-	**(769,946)**	(411,114)
Non-Current Liabilities	(63,760)	-		**(63,760)**	(48,510)
Total	**-**	**6,171,657**	**126,806**	**6,298,463**	6,385,985

At 31 March 2021	Unrestricted Income Funds		Restricted Funds	Total at 31 March 2021	Total at 31 March 2020
	General Funds	Designated Funds			
	£	£	£	£	£
Heritage Assets	-	379,872	-	379,872	380,832
Tangible Assets	-	4,971,853	-	4,971,853	5,357,428
Investments	-	3,873	-	3,873	3,108
Current Assets	459,624	1,030,297	90	1,490,011	1,075,484
Current Liabilities	(411,114)	-	-	(411,114)	(357,836)
Non-Current Liabilities	(48,510)	-		(48,510)	(48,510)
Total	-	6,385,895	90	6,385,985	6,410,506

17. MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	**Total as at 31 March 2022 £**
Restricted funds:						
Campaign Donations	90	635	-	-	-	**725**
Transport for London Cycle Stands	-	9,000	(9,000)			
Countryside Stewardship Scheme	-	264,469	(138,388)	-	-	**126,081**
Orion Harriers	-	216,004	-	-	(216,004)	**-**
Total restricted funds	90	490,108	(147,388)	-	(216,004)	**126,806**
Unrestricted funds:						
General funds	-	6,598,676	(6,558,078)	-	(40,598)	-
Designated funds:						
Tangible fixed assets	4,971,853	56,874	(460,113)	-	281,138	**4,849,752**
Heritage assets	379,872	-	(961)	-	-	**378,911**
Capital fund	549,620	118,000	(184,003)	-	(65,134)	**418,483**
Sports ground deposit	3,968	-	-	185	-	**4,153**
Golf course machinery fund	27,716	-	-	-	30,001	**57,717**
Knighton Wood maintenance	5,801	-	-	-	-	**5,801**
Branching Out project	42,423	-	-	-	-	**42,423**
Future green infrastrucure fund	6,824	-	(822)	-	-	**6,002**
Cattle purchase fund	97,168	-	-	-	10,597	**107,765**
Wanstead Park/Flats future projects fund	100,000	-	-	-	-	**100,000**
South Lodge The Warren	200,650	-	-	-	-	**200,650**
Total designated funds	6,385,895	174,874	(645,899)	185	256,602	**6,171,657**
Total unrestricted funds	6,385,895	6,773,550	(7,203,977)	185	216,004	**6,171,657**
Total funds	6,385,985	7,263,658	(7,351,365)	185	-	**6,298,463**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2021 £
Restricted funds:						
Campaign Donations	-	90	-	-	-	90
Total restricted funds	-	90	-	-	-	90
Unrestricted funds:						
General funds	-	6,245,348	(6,195,820)	-	(49,528)	-
Designated funds:						
Tangible fixed assets	5,357,428	67,024	(467,833)	-	15,234	4,971,853
Heritage assets	380,832	-	(960)	-	-	379,872
Capital fund	437,854	127,000	-	-	(15,234)	549,620
Sports ground deposit	3,204	-	-	764	-	3,968
Golf course machinery fund	27,716	-	-	-	-	27,716
Knighton Wood maintenance	5,801	-	-	-	-	5,801
Branching Out project	42,423	-	-	-	-	42,423
Future green infrastrucure fund	7,608	-	(784)	-	-	6,824
Cattle purchase fund	47,640	-	-	-	49,528	97,168
Wanstead Park/Flats future projects fund	100,000	-	-	-	-	100,000
South Lodge The Warren		200,650	-	-	-	200,650
Total designated funds	6,410,506	394,674	(469,577)	764	49,528	6,385,895
Total unrestricted funds	6,410,506	6,640,022	(6,665,397)	764	-	6,385,895
Total funds	6,410,506	6,640,112	(6,665,397)	764	-	6,385,985

Purposes of restricted funds

Restricted funds have been set aside by the Trustee for the following purposes:

i. *Campaign Donations* - donations can be made on the Epping Forest webpage, to either the Epping Forest Common Toad Conservation Project or the Epping Forest New Sculptures and Trail campaign. In total £635 was received during the year (2020/21: £90) which is all restricted income for 'Campaign Donations'.
ii. *Countryside Stewardship Scheme* – 10 year grant funding from the Rural Payment Agency towards a specific programme administered by the charity providing financial incentives for farmers, woodland owners, foresters and land managers to look after and improve the environment. At 31 March 2022 £126,081 was held in a restricted fund for the Countryside Stewardship Scheme (2020/21: £nil).
iii. *Transport for London Cycle Stands* - a restricted donation of £9,000 was received from Transport for London (TfL) for implementation of cycle stands including delivery, materials and staff costs at Epping Forest in the year. Funds were fully utilised in 2021/22.
iv. *Orion Harriers* - the transfer out of this fund in 2021/22 related to the use of the fund for the purchase of unrestricted fixed assets in line with the donor's intention.

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. At 31 March 2022 the net book value of fixed assets relating to direct charitable purposes amounted to £4,849,752 (2020/21: £4,971,853). In the year there were transfers into this fund totalling £281,138, being amounts transferred from the Orion Harriers Fund for fixed asset additions, and amounts from the Capital Fund employed for purchase of new fixed assets in the year.
ii. *Heritage Assets* – additions to land and capital expenditure on buildings and other assets are included as fixed assets at historic cost, less provision for depreciation and any impairment. The net book value of heritage assets to direct charitable purposes at 31 March 2022 was £378,911 (2020/21: £379,872).
iii. *Capital Fund* - the Epping Forest capital fund was established under the Epping Forest and Open Spaces Act 1878. The fund finances the purchase, construction, or repair of Forest buildings and can also be used to purchase further charitable land. The income of the fund is comprised of income from the sale of buildings and by any contribution the City of London Corporation may wish to make to the fund. In 2021/22 income of £118,000 arose from a capital property receipt (2020/21: £127,000) from proceeds from the Deed of Easement in relation to three properties which can be used for the acquisition of Forest land or capital projects in the Forest.
The transfer out of this fund in the year related to employment of funds in purchase of new tangible fixed assets.
iv. *Sports grounds deposit* – sum of money was invested in 1968 relating to the Sports ground.
v. *Golf course machinery fund* – the purpose of this fund is to provide for the future replacement of plant and equipment at Chingford Golf Course. At 31 March 2022 the fund balance relating to the Golf course machinery fund amounted to £57,717 (2020/21: £27,716). The transfer into this fund in the year related to purchasing two ex-demo machines in 2021/22, a rough mower and a fairway mower.

vi. *Knighton Wood maintenance* - a gift was made in 1930 to be spent on maintaining the beauty of Knighton Wood. The unused balance of the fund was invested in 1931 for future use. Charity Pool units relating to E.N. Buxton Knighton Wood were sold in 2016/17. It is anticipated that the balance of £5,801 will be spent in 2022/23.

vii. *Branching Out project* - Epping Forest was awarded a £4.76m Stage 3 grant by Heritage Lottery Fund in March 2009, towards the £6.8m cost of the 'Branching Out' project. The fund is used to finance the costs of the project that are not met by the grant and are to be provided by Epping Forest. The scheme was completed and verification of final accounts is underway.

viii. *Future green infrastructure fund* - The Green Arc Partnership takes a strategic view of future 'green' infrastructure, principally the provision of further public open space in London's peri-urban fringe and metropolitan green belt. The City of London as the lead authority holds the funding and meets expenditure when required. Expenditure amounted to £822 in 2021/22 (2020/21: £784).

ix. *Cattle purchase fund* - The purpose of this fund is to provide for the future purchase of cattle. Surplus net income of £10,597 from sale of livestock and produce was transferred into reserve as at 31 March 2022 (2020/21: £49,528) to fund future herd expansion at Epping Forest.

x. *Wanstead Park/Flats future projects fund* - the City of London Corporation received a payment of £195,000 as a fee-in-lieu-of-rent in compensation for the temporary use of part of Wanstead Flats for 90 days spanning the 2012 Olympic and Paralympic Games. No expenditure incurred during the accounting period.
The balance of £100,000 will be used for future projects at Wanstead Park and Wanstead Flats.

xi. *South Lodge The Warren* - the charity received a cash settlement of £200,650 from the RSA Insurance Group in relation to a subsidence damage claim at South Lodge, on the Warren Estate in the previous year. These funds were set aside by the Trustee to fund replacement for operational needs elsewhere in the Forest. No expenditure incurred during the accounting period.

18. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 6.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	**Connected party**	**2021/22 £**	2020/21 £	**Detail of transaction**
City of London Corporation	The City of London Corporation is the Trustee for the charity	**4,527,135** **(nil)**	5,058,978 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		1,125,777 **(nil)**	1,100,851 (nil)	Administrative services provided for the charity
		3,171 **(nil)**	6,283 (nil)	Distribution from the Charities Pool

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Epping Forest

Registered charity number: 232990

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021**)**

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

Hampstead Heath

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Charity registration number 803392

CONTENTS

Origins of the charity 1

Structure and governance 2

Achievements and performance 7

Financial review 10

Trustee responsibilities 15

Independent auditor’s report 17

Consolidated statement of financial activities 21

Consolidated balance sheet 22

Balance sheet 23

Notes to the financial statements 24

Reference and administration details 41

ORIGINS OF THE CHARITY

Hampstead Heath is the collective name for Parliament Hill and Golders Hill, a total of 791 acres (320 hectares). The original Hampstead Heath was the former lands owned by the Lord of the Manor acquired under the Hampstead Heath Act, 1871. The Heath falls within two London Boroughs, Camden and Barnet.

The Heath was transferred to the London Residuary Body on 1st April 1986 on the abolition of the Greater London Council and was transferred to the City of London Corporation on 31 March 1989 under provisions of the London Government Reorganisation (Hampstead Heath) Order 1989. This Order covered the transfer of the Heath and the related rights and liabilities, the functions of the Corporation, the financial arrangements, the establishment of the Hampstead Heath Trust Fund for future revenue funding and the Hampstead Heath Works Fund for defraying capital works. It also set up a Hampstead Heath Management Committee for the purposes of advising on and implementing the City of London Corporation's policies and programmes of work and considering any representations from the statutory Consultative Committee. The Consultative Committee was established to make such representations and consists of representatives of local organisations, sporting interests, nature conservation, the disabled and those concerned with the Heath.

The City of London Corporation is committed to conserving the Heath and its wildlife and vegetation and provide recreational facilities for the public appropriate to such an important London open space.

The first detailed management plan for Hampstead Heath was produced in 1995. The plan sets out a framework and policies for the management of the Heath, by identifying management objectives, describing how these are to be achieved and defining procedures for monitoring progress against these objectives. A wide range of public consultation has taken place in order to develop a Vision which provides strategic direction for the site for 2018/28.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871 and the London Government Reorganisation (Hampstead Heath) Order 1989. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Hampstead Heath. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee, together with six non City of London Corporation members, one after consultation with the London Borough of Barnet, one after consultation with the London Borough of Camden, one after consultation with the owners of the Kenwood lands and three after consultation with bodies representing local, archaeological, environmental or sporting interests governing Hampstead Heath by the Court of Common Council of the City of London Corporation. The Finance Committee of the City of London Corporation administers the Hampstead Heath Trust Fund on behalf of the Trustee.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Investment Committee** – responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed

by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.

- **Financial Investment Board** - oversees all aspects of the non-property investment arrangements of the City of London's major funds and monitors the Chamberlain's Treasury Management operations.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee –** responsible for the activities undertaken at Hampstead Heath, Highgate Wood and Queen's Park, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Hampstead Heath Consultative Committee –** provides forum for local residents and users of the Heath to comment upon the management of the Heath.
- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Hampstead Heath Trust Fund (HHTF) is a subsidiary controlled by this charity. HHTF was established under the Local Government Reorganisation (Hampstead Heath) Order 1989 with an endowment of £15 million. Its purpose is to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated with these accounts. A copy of these is available from the email address stated on page 41.

The charity and subsidiary are consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 41.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department, and Hampstead Heath became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Hampstead Heath. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the preservation and maintenance of Hampstead Heath in perpetuity, as an open space for the recreation and enjoyment of the public.

In support of these objectives the Hampstead Heath Management Strategy sets out the themes which are underpinned by the Heath Vision; developed in collaboration with stakeholders. The themes are:

- We protect and conserve the Heath
- The Heath enriches our lives
- The Heath is inclusive and welcoming
- Together we care for the Heath

By means of these outcomes the management of the Heath can be focussed to ensure that the elements vital to the maintenance, care and management of the open space are delivering the objectives of the charity.

The Hampstead Heath Trust Fund is a subsidiary controlled by this charity. That charity was established under the Local Government Reorganisation (Hampstead

Heath) Order 1989 with an endowment of £15 million. Its purpose was to contribute towards the running costs of the Heath. Separate accounts are prepared for the subsidiary, which are consolidated within these accounts.

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 41.

Volunteers

Hampstead Heath is particularly successful in providing volunteer opportunities. Working in partnership with a dedicated charity, Heath Hands, Hampstead Heath has in excess of 16,900 hours of volunteer input for 2021/22.

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Donations are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

There is a donations page on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

The charity has received no complaints in relation to fundraising activities in 2021/22 (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Hampstead Heath’s aims and objectives and in planning future activities. The purpose of the charity is the preservation in perpetuity of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 41.

ACHIEVEMENTS AND PERFORMANCE

Staffing, along with the availability of specialist contractors and materials, continued to be impacted by the Coronavirus pandemic during 2021/22. This has impacted on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

Hampstead Heath's 2021/22 aims together with their outcomes were:

COVID-19 Impact Recovery Programme – Works to address compaction and erosion have continued during 2021/22. A number of veteran trees have been fenced to aid recovery. Path maintenance, waymarking and signage improvements will continue into 2022/23. Restoration works support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Hampstead Heath Bathing Ponds review – The capital project to deliver a programme of safety, access and security improvements across the Bathing Ponds has progressed to RIBA stage 2. Works on site are expected to commence in late 2022. The project supports Strategic Outcome C: the Heath is inclusive and welcoming to a diverse range of visitors.

East Heath car park – Works on site have been completed and the car park has re-opened for public use. A Gateway 6 report will be drafted in summer/autumn 2022. These works support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Celebrate the 150th Anniversary of the Hampstead Heath Act (1871) - A programme of events to celebrate the passing of the Act was successfully delivered during 2021. The programme of tailored events supports Strategic Outcome D: greater number and diversity of people taking care of the Heath.

Ultra Low Emissions Zone (ULEZ) - Three electric and hybrid vehicles have been leased in line with the vehicle replacement programme. Vehicle replacements will continue during 2022/23.

Playground Improvements – Works at the Parliament Hill Adventure Playground and East Heath Playground have been completed. The Heath Extension playground planning application has been submitted and the Project Board will continue to meet regularly during 2022. This project supports Strategic Outcome C: the Heath is inclusive and welcoming to a diverse range of visitors.

Licencing – The Professional Dog Walking Licence Scheme was approved by the Hampstead Heath, Highgate Wood & Queen's Park Committee in 2021 for launch on 1 April 2022. Arrangements have been put in place to support the launch of the Licencing Scheme. Development of the licencing scheme for professional dog walkers will support Strategic Outcome A: the Heath is maintained as a flourishing green space and historic landscape.

Budget management – The financial savings idented for 2021/22 have been achieved through a combination of reducing expenditure and appropriate income generation activities.

Corporate Restructure - The implementation of the City of London's corporate restructure is ongoing. The new Environment Department (within which the charity sits) has been formed. Phase 2 of the corporate restructure will be designed and implemented during 2022/23.

Hampstead Heath Trust

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2021/22, the Trust has contributed £1,482,422 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

PLANS FOR FUTURE PERIODS

There is uncertainty around the continued impacts of the Coronavirus pandemic in relation to income generation and project delivery over the coming 12 months.

Key projects for 2022/23 include:

Hampstead Heath

Hampstead Heath Bathing Ponds Capital Project – Undertake a programme of works in relation to safety, access and security improvements across the Bathing Ponds.

Parliament Hill Athletics Track Capital Project – Form a project board to scope and enable works on site to be completed during 2022/23.

Golders Hill Park Accessible Car Park – Undertake works on site to improve waymarking and signage to enable the car park to open safely on weekends and bank holidays.

Parliament Hill Master Plan – Undertake a review of facilities and buildings at Parliament Hill to inform provision of a visitor centre, maintain suitable accommodation for staff and volunteers, as well as improved sports facilities and improved learning facilities.

Golders Hill Park Zoo – Undertake an options appraisal to inform discussions in relation to the long-term sustainability of the zoo.

Ultra Low Emissions Zone (ULEZ) - Continued implementation and delivery of the vehicle replacement programme to minimise the impact upon the environment and meet ULEZ requirements.

A Sustainable Fleet and Plant Management Plan - Undertake a review of plant and equipment.

Playground Improvements – Undertake improvements at the Heath Extension Playground, to increase opportunities for accessible and natural play.

Licencing – Launch the Professional Dog Walking Licence Scheme on 1 April 2022 and implement on site through monitoring and engagement with Heath users, in line with the provision of the 2018 Open Spaces Act.

Budget management – Deliver a balanced budget, and achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities.

Corporate Restructure - Progress and implement phase 2 changes to staffing structures.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 24.

The Trustee is monitoring the situation and will continue with its purpose to preserve and maintain Hampstead Heath, as an Open Space for the recreation and enjoyment of the public.

Hampstead Heath Trust

The charity continues to be affected by the global economic downturn from the global pandemic of Coronavirus. There has been a significant recovery in the market value of the investments held by the charity, and although investment income has increased compared to 2020/21, the downturn continues to affect the income generating of the charity's investments, and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 24.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £9,888,663 an overall increase of £428,248 against the previous year (£9,460,415). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £2,179,284 from fees charged (2020/21: £1,196,096), £279,830 from rents (2020/21: £133,125) and £2,110 from sales of goods, products and materials (2020/21: £960). A busy 2021 summer caused a general increase in use of facilities. The increase in rent income was due to COVID restrictions impacting the rents on commercial tenants, including a rent free period, in the previous year.

Donations of £3,901 were received from the public at the ponds and paddling pool (2020/21: £14,024). Donations can also be made on the Hampstead Heath webpage, to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign. In total, £7,352 was received during the year (2020/21: £nil). The full amount was held at 31 March 2022 in a restricted fund for 'Campaign Donations'.

Investment income of £2,025,319 (2020/21: £1,560,485) was received during the year from the Hampstead Heath Trust Fund.

Other income of £34,836 was received in relation to Coronavirus Job Retention Scheme (2020/21: £104,420). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

An amount of £5,356,031 (2020/21: £6,451,305) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £9,312,262 (2020/21: £9,469,987) with charitable activities expenditure in the year totalling £9,119,376 (2020/21: £9,320,721). The decrease in expenditure is owing to a lower number of cyclical building works taking place during the year. Expenditure on raising funds for the year was £192,886 (2020/21: £149,266).

Funds held

The charity's total funds held increased by £2,204,080 to £54,740,897 as at 31 March 2022 (2020/21: £52,536,817). The net gain on investments represents the difference in the market value of investments between 1 April 2021 and 31 March 2022 after taking account of any purchases and sales which were made during 2021/22.

Within the total funds held, £34,358,804 (2020/21: £32,924,011) represent permanent and expendable endowment funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £350,011 was generated in the year (2020/21: £50,056).

Unrestricted income funds (General funds)– these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income of £761,509 (2020/21: £216,877) over expenditure of the Trust distributed annually towards the running costs of the Heath, as well as surplus unrestricted donation income of £1,735 received in 2021/22 (2020/21: £nil).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2022 totalled £19,610,999 (2020/21: £19,393,696). These represent designated funds within the unrestricted income fund which represents the Capital fund and the net book value of fixed assets held.

Restricted funds of £9,585 (2020/21: £2,233) was held at year-end for the Parliament Hill Outdoor Gym project and from campaign donations.

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Investments performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments are analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2021/22 £	2020/21 £	**2021/22 %**	2020/21 %	**2021/22 %**	2020/21 %
Hampstead Heath Trust	**34,102,513**	32,519,053	**+11.10%**	+30.63%	**+13.03%**	+26.71%
City of London Charities Pool (part of)	**782,826**	755,386	**+11.06%**	+30.72%	**+13.03%**	+26.71%
	34,885,339	33,274,439				

2) Hampstead Heath Trust Fund

As at 31 March 2022, the investments held in the Hampstead Heath Trust Fund achieved a return of +11.10% (2020/21 +30.63%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71%) Over three years this fund achieved a return of +7.41% (2020/21: +5.16%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.25% (2020/21: +7.22%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 years	**5 years**	3 years	5 years
Fund	**+7.41%**	**+6.25%**	+5.16%	+7.22%
FTSE All Share	**+5.31%**	**+4.69%**	+3.19%	+6.29%
Fund outperformance	**+2.10%**	**+1.56%**	+1.97%	+0.93%

3) City of London Corporation Charities Pool

As at 31 March 2022, the investments held in the Charities Pool achieved a return of +11.06% (2020/21: +30.72%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71). Over three years this fund achieved a return of +7.35% (2020/21: +5.04%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.16% (2020/21: +7.19%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 years	**5 years**	3 years	5 years
Fund	**+7.35%**	**+6.16%**	+5.04%	+7.19%
FTSE All Share	**+5.31%**	**+4.69%**	+3.19%	+6.29%
Fund outperformance	**+2.04%**	**+1.47%**	+1.85%	+0.90%

Reserves

The charity is supported by the City of London Corporation out of its City's Cash Funds. The contribution towards the running costs of Hampstead Heath is determined in accordance with a formula set out in the governing document. Reserves therefore represent the accumulated net income that cannot be distributed under the existing governance arrangements. Due to the governance arrangements in place, a reserves policy is considered by the trustee to be inappropriate.

Donations are now being sought and that these may be carried forward but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £ 34.5 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2021/22 of £1,482,422 (2020/21: £1,361,163) consists of £1,450,000 from the permanent endowment (2020/21:

£1,336,000), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £32,422 (2020/21: £25,163).

Should the actual income earnt in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,482,422 for 2021/22 from the permanent endowment was met entirely from net income and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risks which are specific to Hampstead Heath:

Risk	Actions to manage risks
Impact of Covid-19 accelerating long term damage to sites	• Additional monitoring and ecological assessments required. • Messaging via social media asking visitors to be considerate. • Increased Ranger and Constabulary activity.
Maintenance of buildings and equipment	• Cyclical review of assets carried out. • Regular client liaison meetings to discuss issues and raise concerns about Building Repairs and Maintenance Projects.
Impact of housing and population and transport increase	• Maintain a close partnership with Planning Authorities. • Review local planning applications which may impact on the Open Spaces. • Respond to consultation on local plans to help influence the content of the documents.
Outbreak of fire in woodland/heathland	• Managers and Supervisors receive weather and 'trigger event' warnings and this information is shared with staff. • Emergency Action Plan. Review carried out annually or following incident if appropriate. • Fire safety audits are carried out.

Risk	Actions to manage risks
Plant and Tree Disease	• Tree provenance is considered, and planting stock is sourced in accordance with best practice guidance. • Trained arboricultural contractors carry out spraying and nest removal of Oak Processionary Moth. • Continue to monitor pest and tree disease across the charity.
Ensuring the Health and Safety of staff, contractors, visitors and volunteers	• Annual Health & Safety site Audits with peer review. • Hold local Health & Safety meetings. Staff updated in toolbox / team talks. • Online e-learning and training sessions undertaken by staff e.g. Mental Health Awareness and Fire Safety.
Hampstead Heath Water bodies including Bathing Ponds	• Training for lifeguards. • Safety equipment accessible at ponds; regular checks are undertaken and defects reported for repair or replacement. • Appropriate signage at ponds is regularly checked and defects reported for repair or replacement.
Extreme Weather Events	• Alerts issued to staff via Met Office. • Trigger Event Policy embedded into way of working. • Review process 6 monthly or following an extreme weather event. • Site plans are reviewed annually or following an incident, if appropriate.

Risks which are specific to Hampstead Heath Trust Fund:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity'funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation
Guildhall, London
xx January 2023

Randall Keith Anderson, Deputy
Chairman of Finance Committee
of The City of London Corporation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH

Opinion

We have audited the financial statements of Hampstead Heath ('the Parent charity') and its subsidiaries ("the Group) for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Parent Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15 and 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Group and the Parent Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Group and the Parent Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Group and the Parent Charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the

charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income and endowments from:						
Voluntary activities	2	3,901	7,352	-	**11,253**	14,024
Charitable activities	3	2,461,224	-	-	**2,461,224**	1,330,181
Grant from City of London Corporation	4	5,356,031	-	-	**5,356,031**	6,451,305
Investments	5	2,025,319	-	-	**2,025,319**	1,560,485
Other income	6	34,836	-	-	**34,836**	104,420
Total income and endowments		9,881,311	7,352	-	**9,888,663**	9,460,415
Expenditure on:						
Raising funds	7	192,886	-	-	**192,886**	149,266
Charitable activities:						
Preservation of Hampstead Heath	7	9,119,376	-	-	**9,119,376**	9,320,721
Total expenditure		9,312,262	-	-	**9,312,262**	9,469,987
Net gains on investments	12	-	-	1,627,679	**1,627,679**	6,680,006
Net income		569,049	7,352	1,627,679	**2,204,080**	6,670,434
Net movement in funds		569,049	7,352	1,627,679	**2,204,080**	6,670,434
Reconciliation of funds:						
Total funds brought forward	16	19,610,573	2,233	32,924,011	**52,536,817**	45,866,383
Total funds carried forward	16	20,179,622	9,585	34,551,690	**54,740,897**	52,536,817

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 24 to 41 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Tangible assets	11	**19,607,668**	19,390,365
Fixed asset investments	12	**34,547,175**	32,841,486
Total fixed assets		**54,154,843**	52,231,851
Current assets			
Debtors	13	**538,603**	345,883
Investments	12	**160,856**	255,645
Cash at bank and in hand		**747,505**	894,812
Total current assets		**1,446,964**	1,496,340
Creditors: Amounts falling due within one year	14	**(860,910)**	(1,191,374)
Net current assets		**586,054**	304,966
Total assets less current liabilities		**54,740,897**	52,536,817
The funds of the charity:			
Endowment funds	16	**34,551,690**	32,924,011
Restricted income funds	16	**9,585**	2,233
Unrestricted income funds	16	**20,179,622**	19,610,573
Total funds		**54,740,897**	52,536,817

The notes on pages 24 to 41 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

HAMPSTEAD HEATH

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Tangible assets	11	**19,607,668**	19,390,365
Current assets			
Debtors	13	**185,542**	72,434
Cash at bank and in hand		**570,197**	717,504
Total current assets		**755,739**	789,938
Creditors: Amounts falling due within one year	14	**(741,088)**	(784,374)
Net current assets		**14,651**	5,564
Total assets less current liabilities		**19,622,319**	19,395,929
The funds of the charity:			
Restricted income funds	16	**9,585**	2,233
Unrestricted income funds	16	**19,612,734**	19,393,696
Total funds		**19,622,319**	19,395,929

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charities, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Group Financial Statements

The consolidated financial statements for the Hampstead Heath Group comprise Hampstead Heath and the Hampstead Heath Trust Fund. The consolidation is produced on a line by line basis. Separate financial statements are also produced for the Hampstead Heath Trust Fund, which is a subsidiary of Hampstead Heath. This was established by the Local Government Reorganisation (Hampstead Heath) Order 1989, with an endowment valued at £15 million at that time, the purpose of which was to contribute to the running costs of the Heath.

(c) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(d) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily

apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets and the recovery of debts.

As one of the key judgements, trustees will include fixed investments and their market valuations as key accounting estimates in their consideration of the operating of the charity. The trustees will be aware that the market valuations included in the financial statements are taken at one single point in time and that the movements on general UK and global stock markets, and the likely impact of them upon the running costs of the Hampstead Heath, will affect their decision making.

(e) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(f) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(g) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(i) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(j) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(k) Fixed Assets

Heritage Land and Associated Buildings

Hampstead Heath comprises 275 hectares (680 acres) of land located in the London Boroughs of Camden and Barnet, together with associated buildings. The object of the charity is the preservation of the Heath at Hampstead in perpetuity as an open space for the recreation and enjoyment of the public. Hampstead Heath is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings acquired prior to 1 April 2009 are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Equipment	5 to 25
Infrastructure	up to 20*

* With the exception of certain ponds infrastructure whose useful life has been determined at 120 years. The Hampstead Heath Ponds Project major Civil Engineering earthworks/structures (such as the foundations, sheet piling and earth bunds) fall into design working Life category 5 which is set out in the BS EN 1990:2002+A1:2005, Eurocode — Basis of structural design, with Indicative design working Life being 120 years.

(l) Investments

The major part of the investments are in a segregated mandate externally managed by Artemis Investment Management LLP. Hampstead Heath Trust Fund also holds investments in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to “pool” small charitable investments together and

consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(m) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity operation.

(n) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(o) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath as well as surplus unrestricted donation income.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(p) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds **2021/22 £**	Unrestricted funds 2020/21 £
Donations and legacies	3,901	7,352	**11,253**	14,024

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Charges for use of facilities	**2,179,284**	1,196,096
Sales	**2,110**	960
Rental income	**279,830**	133,125
Total	**2,461,224**	1,330,181

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Revenue and capital grants from City of London Corporation	**5,356,031**	6,451,305

5. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22 £**	Unrestricted funds 2020/21 £
Investment income	**2,024,417**	1,560,485
Interest	**902**	-
Total	**2,025,319**	1,560,485

6. OTHER INCOME

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Other income	**34,836**	104,420

Income for the year included:

Donations – being amount received from the public at the ponds and paddling pool. From March 2021 a donations page has been created on the Hampstead Heath webpage, inviting and enabling the public to make on-line donations to either Hampstead Heath Bird and Mammal Shelters campaign or Hampstead Heath Model Boating Pond Island – Wildlife Sanctuary campaign.

Charitable activities – being amounts generated from the sales of leaflets, books, maps cards and other publications relating to Hampstead Heath; charges made to the public for the use of facilities, admissions and services and from rental income.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investment income – being the amount received from the Charities Pool and interest receivable on cash balances held on behalf of the Trust.

Other income - included in Other Income on the Statement of Financial Activities is Coronavirus Job Retention Scheme income. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

Expenditure on raising funds

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Investment management fees	185,922	6,224	**192,146**	146,418	-	146,418
Interest payable	-	740	**740**	-	2,848	2,848
Total	185,922	6,964	**192,886**	146,418	2,848	149,266

Expenditure on charitable activities

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation of Hampstead Heath	7,808,845	1,310,531	**9,119,376**	8,053,940	1,266,781	9,320,721
Grand total	7,994,767	1,317,495	**9,312,262**	8,200,358	1,269,629	9,469,987

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Hampstead Heath.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities	Governance	**2021/22**	2020/21
	£	£	**£**	£
Department:				
Chamberlain	192,066	-	**192,066**	145,104
Comptroller & City Solicitor	41,914	-	**41,914**	-
Town Clerk	-	132,607	**132,607**	204,801
City Surveyor	293,103	-	**293,103**	312,271
Open Spaces directorate	301,461	-	**301,461**	211,788
Other governance & support costs	93,937	5,000	**98,937**	88,248
Digital Services	250,443	-	**250,443**	304,569
Sub-total	1,172,924	137,607	**1,310,531**	1,266,781
Reallocation of governance costs	137,607	(137,607)	**-**	-
Total	1,310,531	-	**1,310,531**	1,266,781

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

9. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity and group are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 100 (2020/21: 97).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**4,101,764**	3,906,477
National Insurance costs	**395,949**	378,165
Employer's pension contributions	**684,607**	659,693
Total emoluments of employees	**5,182,320**	4,944,335

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was 1.0 (2020/21: 2.0).

	2021/22	2020/21
£60,000 - £69,999	**1.0**	2.0

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £56,121 (2020/21: £36,312). The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: nil).

HERITAGE ASSETS – CHARITY AND GROUP

Since 1880 the primary purpose of the charity has been the preservation of Hampstead Heath for the recreation and enjoyment of the public. As set out in Note 1(k), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Hampstead Heath are contained in the Hampstead Heath Management Plan. Records of heritage assets owned and maintained by Hampstead Heath can be obtained from the Executive Director Environment at the principal address as stated on page 41.

10. TANGIBLE FIXED ASSETS – CHARITY AND GROUP

	Buildings	Infrastructure	Infrastructure (WIP)	Equipment	**Total**
	£	£	£	£	**£**
Cost					
At 1 April 2021	1,257,724	19,558,712	64,528	272,479	21,153,443
Additions	-	429,457	-	-	429,457
Transfer	-	64,528	(64,528)	-	-
At 31 March 2022	1,257,724	20,052,697	-	272,479	**21,582,900**
Depreciation					
At 1 April 2021	180,306	1,378,311	-	204,461	1,763,078
Charge for the year	31,641	174,302	-	6,211	212,154
At 31 March 2022	211,947	1,552,613	-	210,672	**1,975,232**
Net book value					
At 31 March 2022	1,045,777	18,500,084	-	61,807	**19,607,668**
At 31 March 2021	1,077,418	18,180,401	64,528	68,018	19,390,365

11. FIXED ASSET INVESTMENTS – GROUP ONLY

The investments are held within both the Hampstead Heath Trust segregated portfolio and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 2022	Total 2021
	£	£
Long Term Fixed Investments		
Market value 1 April	32,841,486	26,012,892
Additions	8,338,779	8,100,986
Disposals	(8,260,770)	(7,952,397)
(Loss)/gain for the year	1,627,680	6,680,005
Market value 31 March	**34,547,175**	32,841,486
Short Term Investments		
Cash held by fund managers	160,856	255,645
Other Cash Balances	177,308	177,308
Short Term Investments	**338,164**	432,953
Total investments 31 March	**34,885,339**	33,274,439
Cost 31 March	**31,010,233**	29,983,729

Total investments as at 31 March are analysed between long term and short-term investments as follows:

	2022	2021
	£	£
Long term	**34,547,175**	32,841,486
Short term	**338,164**	432,953
Total	**34,885,339**	33,274,439

The geographical spread of listed investments as at 31 March was as follows:

		Unit trusts	Equities	Cash	**Total**
Held in the UK	£	2,066,264	28,233,753	338,164	**30,638,181**
Held outside the UK	£	-	4,247,158	-	**4,247,158**
Total at 31 March 2022	**£**	**2,066,264**	**32,480,911**	**338,164**	**34,885,339**
Held in the UK	£	1,798,162	27,136,442	432,953	**29,367,557**
Held outside the UK	£	-	3,906,882	-	**3,906,882**
Total at 31 March 2021	**£**	**1,798,162**	**31,043,324**	**432,953**	**33,274,439**

12. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	**2022**	2021
	£	£
Rental debtors	**15,590**	8,155
Prepayments and accrued income	**46,352**	42,513
Recoverable VAT	**780**	-
Other debtors	**475,881**	295,215
Total	**538,603**	345,883

Other debtors consist of non-property related debtors of £122,820 (2020/21: £21,766) and dividends of £353,061 receivable from the fund manager (2020/21: £266,635). 2020/21 other debtors included a sundry debtor of £6,814 in relation to the Hampstead Heath Trust.

Hampstead Heath	**2022**	2021
	£	£
Rental debtors	**15,590**	8,155
Prepayments and accrued income	**46,352**	42,513
Recoverable VAT	**780**	-
Other debtors	**122,820**	21,766
Total	**185,542**	72,434

Other debtors comprised of non-property related debtors.

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

Hampstead Heath consolidated	**2022**	2021
	£	£
Bank overdraft	**77,476**	368,822
Trade creditors	**53,497**	117,581
Accruals	**90,703**	223,617
Deferred income	**121,368**	72,531
Rent deposits	**15,425**	51,925
VAT liability	**379,727**	192,091
Other creditors	**122,714**	164,807
Total	**860,910**	1,191,374

Deferred income analysis within creditors:	**2022** **£**	2021 £
Balance at 1 April	72,531	54,459
Amounts released to income	(72,531)	(54,459)
Amounts deferred in the year	121,368	72,531
Balance at 31 March	**121,368**	72,531

Deferred income relates to rental income received in advance for periods after the year-end.

Hampstead Heath	**2022**	2021
	£	£
Trade creditors	**53,497**	117,581
Accruals	**90,703**	223,617
Deferred income	**121,368**	72,531
Rent deposits	**15,425**	51,925
VAT liability	**379,727**	192,091
Other creditors	**80,368**	126,629
Total	**741,088**	784,374

Other creditors consist of sundry creditors.

14. ANALYSIS OF CONSOLIDATED NET ASSETS BY FUND

At 31 March 2022	Unrestricted Funds		Restricted Funds	Endowment Funds		
	General Funds	Designated Funds			**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	£	£	£
Tangible Assets	-	19,607,668	-	-	**19,607,668**	19,390,365
Fixed Asset Investments	-	-	-	34,547,175	**34,547,175**	32,841,486
Current Assets	1,309,711	3,331	9,585	124,337	**1,446,964**	1,496,340
Current Liabilities	(741,088)	-	-	(119,822)	**(860,910)**	(1,191,374)
Total	**568,623**	**19,610,999**	**9,585**	**34,551,690**	**54,740,897**	52,536,817
check						

At 31 March 2021	Unrestricted Funds		Restricted Funds	Endowment Funds		
	General Funds	Designated Funds			Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£	£	£
Tangible Assets	-	19,390,365	-	-	19,390,365	19,672,960
Fixed Asset Investments	-	-	-	32,841,486	32,841,486	32,148,008
Current Assets	1,001,251	3,331	2,233	489,525	1,496,340	1,761,531
Current Liabilities	(784,374)	-	-	(407,000)	(1,191,374)	(1,195,759)
Total	216,877	19,393,696	2,233	32,924,011	52,536,817	52,386,740

Expendable endowment movements 2011-2022

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	**Expendable endowment**
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	**782,826**

Hampstead Heath charity only net assets by fund

At 31 March 2022	Unrestricted Funds		Restricted Funds		
	General Funds	Designated Funds		**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	£	£
Tangible Assets	-	19,607,668	-	**19,607,668**	19,390,365
Current Assets	742,823	3,331	9,585	**755,739**	789,938
Current Liabilities	(741,088)	-	-	**(741,088)**	(784,374)
Total	**1,735**	**19,610,999**	**9,585**	**19,622,319**	19,395,929

At 31 March 2021	Unrestricted Funds		Restricted Funds		
	General Funds	Designated Funds		Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£	£
Tangible Assets	-	19,390,365	-	19,390,365	19,449,993
Current Assets	784,374	3,331	2,233	789,938	610,330
Current Liabilities	(784,374)	-	-	(784,374)	(604,766)
Total	-	19,393,696	2,233	19,395,929	19,455,557

15. CONSOLIDATED MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains	**Total as at 31 March 2022**
	£	£	£	£	**£**
Endowment funds:					
Permanent endowment funds	32,168,625	-	-	1,600,239	**33,768,864**
Expendable endowment funds	755,386	-	-	27,440	**782,826**
Total endowment funds	32,924,011	-	-	1,627,679	**34,551,690**
Restricted funds:					
Campaign Donations	-	7,352	-	-	**7,352**
Parliament Hill Outdoor Gym	2,233	-	-	-	**2,233**
Total restricted funds	2,233	7,352	-	-	**9,585**
Unrestricted funds:					
General funds	216,877	9,451,854	(9,100,108)	-	**568,623**
Designated funds:					
Tangible fixed assets	19,390,365	429,457	(212,154)	-	**19,607,668**
Capital fund	3,331	-	-	-	**3,331**
Total unrestricted funds	19,610,573	9,881,311	(9,312,262)	-	**20,179,622**
Total funds	52,536,817	**9,888,663**	**(9,312,262)**	**1,627,679**	**54,740,897**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains £	Total as at 31 March 2021 £
Endowment funds:					
Permanent endowment funds	25,602,842	-	-	6,565,783	32,168,625
Expendable endowment funds	641,163	-	-	114,223	755,386
Total endowment funds	26,244,005	-	-	6,680,006	32,924,011
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	166,821	9,308,076	(9,258,020)	-	216,877
Designated funds:					
Tangible fixed assets	19,449,993	152,339	(211,967)	-	19,390,365
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,620,145	9,460,415	(9,469,987)	-	19,610,573
Total funds	45,866,383	9,460,415	(9,469,987)	6,680,006	52,536,817

Purpose of the endowment funds

The expendable endowment fund is invested as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2021/22 the surplus was £350,011 (2020/21: £50,056). Should the actual income earnt in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purposes of restricted funds

The restricted fund represents funds received from London Borough of Camden (Sports and Physical Activity Service) for creation of a new outdoor gym at Parliament Hill.

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

i. *Fixed Assets* – these are included at historic cost less depreciation on a straight line basis to write off their costs over their estimated useful lives and less any provision for impairment. As at 31 March 2022 the net book value of fixed assets

relating to direct charitable purposes amounted to £19,607,668 (2020/21: £19,390,365). There was an addition of £429,457 during the year relating to the Playground project and the East Heath Car Parking Resurfacing project.

ii. *Capital Fund* - as part of an Open Spaces wide Fleet Management project a disposal exercise of redundant fleet and equipment was undertaken. It was agreed to use the income raised to fund energy efficiency improvement works. The installation of photovoltaic energy panels at the Lido, Hampstead Heath was completed.

Hampstead Heath movement in funds

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Transfers £	**Total as at 31 March 2022 £**
Restricted funds:					
Campaign Donations	-	7,352	-	-	**7,352**
Parliament Hill Outdoor Gym	2,233	-	-	-	**2,233**
Total restricted funds	2,233	7,352	-	-	**9,585**
Unrestricted funds:					
General funds	-	7,426,535	(7,424,800)	-	**1,735**
Designated funds:					
Tangible fixed assets	19,390,365	429,457	(212,154)	-	**19,607,668**
Capital fund	3,331	-		-	**3,331**
Total unrestricted funds	19,393,696	7,855,992	(7,636,954)	-	**19,612,734**
Total funds	19,395,929	7,863,344	(7,636,954)	-	**19,622,319**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2021 £
Restricted funds:					
Parliament Hill Outdoor Gym	2,233	-	-	-	2,233
Unrestricted funds:					
General funds	-	7,747,591	(7,747,591)		-
Designated funds:					
Tangible fixed assets	19,449,993	152,339	(211,967)	-	19,390,365
Capital fund	3,331	-	-	-	3,331
Total unrestricted funds	19,453,324	7,899,930	(7,959,558)	-	19,393,696
Total funds	19,455,557	7,899,930	(7,959,558)	-	19,395,929

16. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 8.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	**Connected party**	**2021/22**	2020/21	**Detail of transaction**
		£	£	
City of London Corporation	The City of London Corporation is the Trustee for the charity	**5,356,031**	6,451,305	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	
		1,310,531	1,266,781	Administrative services provided for the charity
		(nil)	(nil)	
		31,536	23,833	Distribution from the Charities Pool and interest receivable on cash balances
		(nil)	(nil)	
Hampstead Heath Trust Fund	The Hampstead Heath Trust Fund is included within the Hampstead Heath consolidated financial statements	**1,482,422**	1,361,163	Contribution to preservation and enhancement of Hampstead Heath as an open space
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath

Registered charity number: 803392

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

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Highgate Wood and Queen’s Park Kilburn

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 232986

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 6

PLANS FOR FUTURE PERIODS 9

FINANCIAL REVIEW 10

TRUSTEE RESPONSIBILITIES 13

INDEPENDENT AUDITOR'S REPORT 15

STATEMENT OF FINANCIAL ACTIVITIES 18

BALANCE SHEET 19

NOTES TO THE FINANCIAL STATEMENTS 20

REFERENCE AND ADMINISTRATION DETAILS 33

ORIGINS OF THE CHARITY

Queen's Park and Highgate Wood were acquired by the City of London Corporation from the Ecclesiastical Commissioners under the Highgate and Kilburn Open Spaces Act 1886 on condition that the City of London Corporation maintained them in perpetuity for the benefit of Londoners, for exercise and recreation. The Court of Chancery agreed at that time that the late William Ward's bequest should be used towards the maintenance of Queen's Park and this capital fund is still used for this purpose. From April 2002 the Superintendent of Hampstead Heath has had overall responsibility for both sites.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the Highgate and Kilburn Open Spaces Act 1886. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Highgate Wood and Queen's Park Kilburn. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and Members of the City of London Corporation are appointed to the Hampstead Heath, Highgate Wood and Queen's Park Committee governing Highgate Wood and Queen's Park Kilburn by the Court of Common Council of the City of London Corporation.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Investment Committee –** responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Hampstead Heath, Highgate Wood and Queen's Park Committee** - responsible for the activities undertaken at Highgate wood and Queen's Park Kilburn, approving budget allocations for the forthcoming year and acting as Trustee of the charity.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 33.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department. Highgate Wood and Queen's Park became part of the Environment Department from 1 April 2022. During the year, the former Superintendent retired with a permanent replacement taking over in January 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Highgate Wood and Queen's Park Kilburn. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the maintenance and preservation in perpetuity of the open spaces known as Highgate Wood and Queen's Park Kilburn, as public parks or open spaces for use by the public for exercise and recreation.

The Trustee has due regard to the Charity Commission's public benefit when setting objectives and planning activities.

Lands were transferred to the City of London Corporation under the powers conferred by the Highgate and Kilburn Open Spaces Act 1886. The purpose of the charity is the maintenance and preservation in perpetuity by the City of London Corporation of the open spaces known as Highgate wood, Highgate and Queen's Park Kilburn as Public Parks or Open spaces, for the use by the public for exercise and recreation.

This charity is operated as a separate legal entity consolidated into the City of London Corporation's City's Cash. The City of London Corporation is committed to funding the ongoing net operational costs of the charity in accordance with the purpose, as stated above.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 33.

Remuneration Policy

The charity's senior staff are employees of the City Corporation, and alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and

inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating to the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although Highgate Wood and Queen's Park Kilburn charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From December 2020 a donations page has been created on the Queen's Park webpage, inviting and enabling the public to make on-line donations to the Queen's Park Sandpit and Playground Improvements campaign.

The charity has received nil complaints in relation to fundraising activities in the current year (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Highgate Wood and Queen's Park Kilburn's aims and objectives and in planning future activities. The purpose of the charity is the maintenance and preservation in perpetuity by the City of London Corporation as open spaces known as Highgate Wood and Queen's Park Kilburn for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Highgate Wood and Queen's Park Kilburn operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 33.

ACHIEVEMENTS AND PERFORMANCE

The aims for 2021/22 for Highgate Wood were:

Restoration Work linked to the COVID-19 pandemic and increased visitor numbers. This involves the continuation of the works for green recovery and restoration of woodland erosion and compaction; the creation of the 2021/22 Conservation Area next to the Play Area will form a major area of recovery after intensive usage and a review of the policy of conservation area creation and the timescales of enclosure

Nature recovery activities were focused on closing off new desire lines created during the pandemic and reinforcing protection to the currently closed conservation areas. Heath Hands volunteers played a critical part in these works. A number of on-site meetings took place during 2021 to discuss the best approach to creating the new conservation area to the north of the play area. The Highgate Wood Team consulted with Haringey's Woodland Officer, the Hampstead Heath Tree team and the Ecologist. The management approach will be to install the stock fencing first then carry out tree work later this year.

Deliver the tender for the Pavilion Café

The Pavilion Café Tender has been rescheduled for 2022/23. The current Tenancy at Will is to be retained over the summer to ensure income.

To Develop an ecological monitoring methodology to measure visitor pressure on sensitive areas within the woodland and build on the data provided by the oak decline survey.

Background work has been initiated by the Highgate Wood Manager who is working with the Ecologist and members of the Highgate Wood Team to draft an ecological monitoring survey with assistance from Heath Hands volunteers. The plan is to have a monitoring system in place for 2023

Forest Schools activity review

A Forest School policy has been introduced and a regular review of this policy will continue to be undertaken. The Wood currently has two licenced Forest Schools

Increase volunteering including ecological monitoring

The Highgate Wood Manager is working with the Ecologist and members of the Highgate wood Team to recruit a small group of volunteers from Heath Hands to assist with habitat and species monitoring.

Additional achievements in 2021/22 were:

- The Friends of Highgate Roman Kiln have had a successful year raising funding towards a Heritage Lottery bid to enable the return of the Roman Kiln artifact to Highgate Wood. They are now starting the process of drafting an application having spoken to a representative from the Heritage Lottery Fund.
- Carried out drainage improvement works on the sports field which should hopefully improve playing conditions for the forthcoming cricket and football fixtures.
- In 2021/22 Highgate Wood hosted activities for 6,554 children ranging from pre-school nursery sessions to weekend football training.

The aims for 2021/22 for Queen's Park were:

COVID19 Impact Recovery Programme. The Woodland Walk has been closed and during the Spring 2021, the Queen's Park Team will be undertaking works to promote the recovery of this area from the impacts of increased visitor numbers

The Woodland Walk reopened in March 2021. The re-opening was supported by the continuing work of the Woodland Walk Working Group. During late winter of 2021, the Queen's Park Team undertook works to relay the pathway to reduce visitors causing further compaction off the made path. These works were completed to support the recovery of this area from the impacts of increased visitor numbers

Refurbishment of the Queen's Park Children's Sandpit and improve provision of equipment in the Children's Play Area, linked to raising donations from the local community and increased awareness of the donations pages on the Queen's Park webpages.

The City Corporation continue to fundraise for the refurbishment of the Queen's Park Children's Sandpit and improve provision of equipment in the Children's Play Area. Funding through donations reached £13,629 at 31st March 2022, with the City Corporation implying that the organisation would support a further £55,000. Funding opportunities, including Neighbourhood Community Infrastructure Levy, will be applied for. The redevelopment project and donations are promoted locally through signage and via social media and web presence raising awareness of the donations page

Consult on finalise and commence implementation of the Queen's Park Woodland Walk Management Plan

In order to consider how to restore the nature conservation interest Queen's Park Area Residents' Association has formed a Woodland Walk Working Group with the Park Manager. Discussion has taken place to double the size of the Walk area by adding the wooded area to the east beginning from the gate into the north end of Kingswood Avenue. A further smaller addition could be made at the west end using an unused north-west corner of the pitch and putt course up to the fence that separates it from the regular park. In order to avoid the impact of walkers and joggers who are simply going round the park the expanded Woodland Walk would have to be self-contained, with an alternative path provided around the edge of the pitch and putt or within the existing Woodland Walk. Although a path round the edge of the pitch and putt would in effect revert to the circular path provided when the park opened in 1887 it would also cut across two of the nine holes of the pitch and putt course.

Successfully tender for the Queen's Park Café
The café tenants remain on a Tenancy At Will. The City Surveyor Department will be engaged to assist with an asset condition survey. Further analysis will be carried out to assess the market rent value of the café prior to any tender process taking place.

Consult on the Cyclical Works Programme for the Queen's Park Toilets
The City Surveyors Department have commenced a schedule of works at the public toilets. This has necessitated in the first instance, repairs to a collapsed drain. Further cyclical works programmes are planned to complete maintenance works of this busy public toilet

Review of the Queen's Park Conservation Management plan
The Conservation Management Plan will be reviewed and updated at the end of it's current cycle in 2023. It is suggested that the document should be reduced in length, enabling the document to be more accessible for staff and stakeholders.

Develop a Part Activity Plan to gain understanding of who currently visits the park
This has not been progressed as a priority and it is considered that this should be included in a review of the Park Conservation Management Plan.

Additional achievements in 2021/22 were:

- The Paddling Pool was re-opened on 28 August 2021 and remained open during September/October. The re-opening of this facility was impacted by repairs and maintenance works, linked to the ageing equipment.
- Maintained Green Flag Award and Green Heritage Accreditation for 2021
- Tennis participation was maintained during the year, with 12,881 hours of tennis played on the courts.

Aims for 2021/22 for both Highgate Wood and Queen's Park were:

Obtain approval and implement new licensing schemes in line with the provision of the 2018 Open Spaces Act
A licensing scheme for Professional Dog Walkers has been successfully introduced and this will be rolled out to Queen's Park and Highgate Wood in 2022/23.

Consult on finalise and commence implementation of the Queen's Park Woodland Walk Management Plan
Further consultation and engagement with the Woodland Walk Working Group will continue with the further development of the Plan. This engagement and consolation will lead to the plans implementation during 2022/23. This is an ongoing project.

Achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities
Queen's Park and Highgate Wood achieved financial savings in 2021/22. These were achieved though efficiencies and income generation.

Support the development of the City of London's restructure and the creation of a new Department within which will sit this charity
Highgate Wood and Queen's Park have continued to support the development of the restructure. Implementation is expected during 2022/23.

Additional achievements for both Highgate Wood and Queen's Park in 2021/22 were:

- Green Flag and Green Heritage awards were achieved

PLANS FOR FUTURE PERIODS

The proposed overarching priorities which will guide all of our objectives and activities from April 2022 are:

Highgate Wood

- Continue to work on an ecological monitoring programme of the impact of visitors through the Heath Hands volunteers.
- Continue to work collaboratively with the Friends of Highgate Roman Kiln and support their future Heritage Lottery Bid.
- Continue the notice board replacement programme.
- Implement the Woodland Management Plan.

Queen's Park

- Work together with partners to promote health and wellbeing connections.
- Undertake consultation and engagement to inform the development of a licencing scheme for fitness training, and professional dog walking.
- Develop heritage outcomes and incorporate preservation and interpretation actions into the Conservation Management Plan and Annual Work Programme
- Deliver Biosecurity Management across the Natural Environment, preventing the introduction of pests and diseases.
- Regular monitoring of development and planning applications through engagement with stakeholders and a planning specialist.
- Contribute towards the City Corporation Climate Action Strategy by achieving Net zero by 2027.
- Reduce reliance on external contracts for litter, waste and recycling. Undertake public engagement to encourage responsible disposal of waste and recycling.
- Undertake surveys on visitor engagement and capture data to understand visitor trends and satisfaction.
- Review and implement site specific Asset Management Plans.
- Maximise volunteering opportunities by offering a range of activities.
- Maintain a London in Bloom Award
- Redevelop the Children's Sandpit via an agreed project through the City Corporation Gateway process. Seek capital funding through external and internal sources to enable the delivery of this project.
- Consult on, finalise, and implement the Queen's Park Woodland Walk Management Plan through engagement with the local community represented on the Woodland Walk Working Group.
- Develop an updated Draft Conservation Management Plan.

Both Highgate Wood and Queen's Park

- Achieve budgeted income and expenditure targets for Highgate Wood and Queen's Park Kilburn Charity.
- Support the implementation of the restructure involving a review of operational arrangements
- Review the Café retendering programme with a review of income generation and market values.
- Maintain Green Flag Award and Green Heritage Accreditation for 2022/23.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 20.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £1,353,890, an overall decrease of £162,822 against the previous year (£1,516,712) This variation was largely due to a reduction in expenditure compared to the previous year and therefore a smaller grant was received from the City of London to fund the deficit.

Income from Charitable Activities comprised £226,363 from fees charged (2020/21: £96,741) and £66,546 from rents (2020/21: £41,020). A busy 2021 summer caused a general increase in use of facilities on the previous year. The increase in rent income was due COVID restrictions impacting the rents on commercial tenants, including a rent free period, in the previous year.

From December 2020 the public were able to donate via the Queen Park website towards the Sandpit and Playground Improvements Campaign resulting in £12,083 of donations (2020/21 £1,546). Sponsorship generated £5,798 of income (2020/21 £nil)

An amount of £1,033,348 (2020/21: £1,364,066) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £1,358,294 (2020/21: £1,531,654) all of which related to charitable activities. Reduction in expenditure in the year largely arose through vacancies being held at Queen's Park whilst the department went through its restructure and cyclical works being deferred into 2022/23.

Funds held

The charity's total funds held increased by £3,499 to £323,672 as at 31 March 2022 (2020/21: £320,173).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally

binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2022 totalled £136,547 (2020/21: £153,034). These represent the net book value of fixed assets held.

A restricted fund of £13,629 (2020/21 £1,546) was held at year-end. This relates to campaign donations. From December 2020 a donations page has been created on the Queen's Park webpage, inviting and enabling the public to make on-line donations to the Queen's Park Sandpit and Playgrounds Improvement Campaign.

Details of all funds held, including their purposes, is set out within note 16 to the financial statements.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**7.3%**	**6.2%**	5.0%	7.2%
FTSE All Share	**5.3%**	**4.7%**	3.2%	6.3%
Fund outperformance	**2.0%**	**1.5%**	1.8%	0.9%

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Highgate Wood and Queen's Park Kilburn out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, a reserves policy is considered by the trustee to be inappropriate. The charity held free reserves of £173,496 at 31 March 2022, funds which will be used by the charity to further its objects, and which will be factored into financial plans.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Impact of housing and population and transport increase	Maintain a close partnership with Planning Authorities and review local planning applications which may impact on the Open Spaces. Respond to consultation on local plans to help influence the content of documents
Maintenance of buildings and equipment	A reduction in the Cyclical Works Programme and maintenance Budget may impact on the maintenance of buildings. Staff have regular client liaison meetings to ensure that serious concerns, for example that Health and Safety issues are addressed as soon as practicable.
Plant and tree diseases	Tree provenance is considered, and planting stock is sourced in accordance with best practice guidance. Trained arboricultural contractors carry out spraying and nest removal of Oak Processionary Moth. Continue to monitor pest and tree disease across the charity
Ensuring the health and safety of staff, contractors, visitors and volunteers	Annual health and safety site audits with peer review. Hold local health and safety meetings. Staff updated in toolbox/team talks. Online e-learning and training sessions undertaken by staff such as Mental Health Awareness and Fire Safety
Extreme weather events	Alerts issues to staff via Met Office. Trigger Event Policy embedded into way of working. Review process six monthly or following an extreme weather event. Site plans are reviewed annually or following an incident, if appropriate.
Outbreak of fire in Woodland/Heathland	Managers and Supervisors receive weather and 'trigger event' warnings and this information is shared with staff. Emergency Action Plan Review carried out annually of following incident, if appropriate. Fire safety audits are carried out. Staff remain vigilant and have access to firefighting equipment to douse burning embers if necessary.
Budget Reduction & Income Loss	A number of posts are being held vacant and most appointments are on fixed term contracts. Regular reviewing and forecasting of year end budget position. Savings associated with the restructure will be met. New Executive Director commenced in post and Environment Department Project Board established to progress the restructure.
Impact of Covid-19 accelerating long term damage to sites	Monitoring and ecological assessments are carried out. Messaging via social media asking visitors to be considerate. Increased Ranger and Constabulary activity.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation Guildhall, London

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation, Guildhall, London

Guildhall, London

xx January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HIGHGATE WOOD AND QUEEN'S PARK KILBURN

Opinion

We have audited the financial statements of Highgate Wood and Queen's Park Kilburn ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.
- **Basis for opinion**

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13 and 14, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Voluntary activities	2	5,798	12,083	**17,881**	1,546
Charitable activities	3	292,909	-	**292,909**	137,761
Grant from City of London Corporation	4	1,033,348	-	**1,033,348**	1,364,066
Investments	5	9,036	-	**9,036**	6,829
Other Income	6	716	-	**716**	6,510
Total income		**1,341,807**	**12,083**	**1,353,890**	1,516,712
Expenditure on:					
Charitable activities:					
Maintenance and preservation of Highgate Wood and Queen's Park Kilburn	7	1,358,294	-	**1,358,294**	1,531,654
Total expenditure		**1,358,294**	-	**1,358,294**	1,531,654
Net gain on investments	12	7,903	-	**7,903**	32,680
Net (expenditure)/income and net movement in funds		**(8,584)**	**12,083**	**3,499**	17,738
Reconciliation of funds:					
Total funds brought forward	16	318,627	1,546	320,173	302,435
Total funds carried forward	16	**310,043**	**13,629**	**323,672**	320,173

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 20 to 33 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Tangible assets	11	**136,547**	153,034
Investments	12	**173,496**	165,593
Total fixed assets		**310,043**	318,627
Current assets			
Debtors	13	**15,578**	19,819
Cash at bank and in hand		**30,781**	50,572
Total current assets		**46,359**	70,391
Creditors: Amounts falling due within one year	14	**(32,730)**	(68,845)
Net current assets/(liabilities)		**13,629**	1,546
Total assets less current liabilities		**323,672**	320,173
Total net assets		**323,672**	320,173
The funds of the charity:			
Restricted income funds	16	**13,629**	1,546
Unrestricted income funds	16	**310,043**	318,627
Total funds		**323,672**	320,173

The notes on pages 20 to 33 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the financial position, including future income levels, planned expenditure and the liquidity of the charity over the next 12-month period. This assessment helps to provide assurances that the charity can continue to keep operating over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2021 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

Highgate Wood and Queen's Park comprises 315 hectares (780 acres) of land, together with associated buildings, located in the North London boroughs of Haringey and Brent respectively. The object of the charity is the preservation in perpetuity of Highgate Wood and Queen's Park Kilburn as open spaces for the recreation and enjoyment of the public. Highgate Wood and Queen's Park are considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

	Years
Operational buildings	30 to 50
Improvements and refurbishments to buildings	up to 30
Infrastructure	up to 20

(j) Investments

Investments are made in the City of London Charities Pool (charity number: 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(k) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(l) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted Funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(m) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted income funds	**Total 2021/22**	Unrestricted funds	Restricted income funds	Total 2020/21
	£	£	**£**	£	£	£
Donations and legacies		12,083	**12,083**	-	1,546	1,546
Sponsorship	5,798	-	**5,798**	-	-	-
Total	5,798	12,083	**17,881**	-	1,546	1,546

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Charges for use of facilities	**226,363**	96,741
Rental income	**66,546**	41,020
Total	**292,909**	137,761

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Revenue and capital grant from City of London Corporation	**1,033,348**	1,364,066

5. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Interest	**9,036**	6,829

6. OTHER INCOME

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Other income	**716**	6,510

Income for the year included:

Voluntary activities – relating to sponsorship of events and benches plus donations received from the public. From December 2020 a donations page has been available on the Queen's Park webpage, inviting and enabling the public to make on-line donations to the Queen's Park Sandpit and Playground Improvements campaign.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Charitable activities – being amounts generated from charges made for the use of facilities, such as for filming and sports bookings and from the rental of catering facilities and wayleave licenses.

Other income - included in Other Income on the Statement of Financial Activities is a government grant from the Coronavirus Job Retention Scheme of £716 (2021: £6,510). There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Maintenance and preservation of Highgate Wood and Queen's Park Kilburn	1,145,636	212,658	**1,358,294**	1,331,048	200,606	1,531,654

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Highgate Wood and Queen's Park Kilburn.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fees incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities	Governance	**2021/22**	2020/21
	£	£	**£**	£
Department:				
Chamberlain	38,085	-	**38,085**	31,051
Comptroller & City Solicitor	7,816	-	**7,816**	-
Town Clerk	-	24,730	**24,730**	38,078
City Surveyor	27,728	-	**27,728**	31,420
Open Spaces directorate	52,342	-	**52,342**	35,736
Other governance & support costs	14,173	5,000	**19,173**	12,738
Digital Services	42,784	-	**42,784**	51,583
Sub-total	182,928	29,730	**212,658**	200,606
Reallocation of governance costs	29,730	(29,730)	**-**	-
Total	**212,658**	**-**	**212,658**	200,606

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

9. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 16 (2020/21: 17).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**562,975**	656,236
National Insurance costs	**53,731**	65,845
Employer's pension contributions	**101,845**	127,546
Total emoluments of employees	**718,551**	849,627

The number of directly charged employees whose emoluments (excluding employer's pension contribution and national insurance contribution) for the year were over £60,000 was nil (2020/21: nil):

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £9,470 (2020/21: £6190). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2021/22 (2020/21: £nil).

10. HERITAGE ASSETS

Since 1886 the primary purpose of the charity has been the preservation of Highgate Wood and Queen's Park Kilburn for the recreation and enjoyment of the public. As set out in Note 1(j), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of Highgate Wood and Queen's Park Kilburn are contained in the Highgate Wood Conservation Management Plan 2013-2023 and Queen's Park Kilburn Conservation Management Plan 2014-2024. Records of heritage assets owned and maintained by Highgate Wood and Queen's Park Kilburn can be obtained from the Executive Director of Environment at the principal address as stated on page 33.

11. TANGIBLE FIXED ASSETS

	Land and Buildings £	Infrastructure £	**Total £**
Cost			
At 1 April 2021	166,388	257,130	423,518
At 31 March 2022	166,388	257,130	**423,518**
Depreciation			
At 1 April 2021	52,793	217,691	270,484
Charge for the year	3,341	13,146	16,487
At 31 March 2022	56,134	230,837	**286,971**
Net book value			
At 31 March 2022	110,254	26,293	**136,547**
At 31 March 2021	113,595	39,439	153,034

12. FIXED ASSET INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022 £	2021 £
Market value 1 April	165,593	132,913
Gain / (loss) for the year	7,903	32,680
Market value 31 March	**173,496**	165,593
Cost 31 March	107,254	107,254
Units held in Charities Pool	**18,728**	18,728

The geographical spread of listed investments as at 31 March was as follows:

	Held in the UK £	Held outside the UK £	**Total at 31 March 2022 £**	Held in the UK £	Held outside the UK £	Total at 31 March 2021 £
Equities	141,072	19,701	**160,773**	135,237	19,244	154,481
Pooled Units	10,186	-	**10,186**	8,858	-	8,858
Cash held by Fund Manager	2,537	-	**2,537**	2,254	-	2,254
Total	153,795	19,701	**173,496**	146,349	19,244	165,593

13. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Rental debtors	**514**	-
Prepayments and accrued income	**6,834**	6,158
Recoverable VAT	**2,326**	12,336
Other debtors	**5,904**	1,325
Total	**15,578**	19,819

14. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**8,858**	22,246
Accruals	**12,315**	15,058
Deferred income	**4,502**	3,502
Rent Deposits	**-**	6,193
Other creditors	**7,055**	21,846
Total	**32,730**	68,845

Deferred income relates to rental income received in advance for periods after the year-end.

	2022	2021
Deferred income analysis within creditors:	£	£
Balance at 1 April	3,502	3,502
Amounts released to income	(3,502)	(3,502)
Amounts deferred in the year	4,502	3,502
Balance at 31 March	**4,502**	3,502

15. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted income funds		Restricted		
	General funds	Designated funds	funds	**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	**£**	£
Tangible assets	-	136,547	-	**136,547**	153,034
Investments	173,496	-	-	**173,496**	165,593
Current assets	32,730	-	13,629	**46,359**	70,391
Current liabilities	(32,730)	-	-	**(32,730)**	(68,845)
Total	**173,496**	**136,547**	**13,629**	**323,672**	320,173

At 31 March 2021	Unrestricted income funds		Restricted		
	General funds	Designated funds	funds	Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£	£
Tangible assets	-	153,034	-	153,034	169,522
Investments	165,593	-	-	165,593	132,913
Current assets	68,845	-	1,546	70,391	132,063
Current liabilities	(68,845)	-	-	(68,845)	(132,063)
Total	165,593	153,034	1,546	320,173	302,435

16. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	**Total as at 31 March 2022**
	£	£	£	£	**£**
Restricted funds					
Campaign donations	1,546	12,083	-	-	**13,629**
Total Restricted Funds	1,546	12,083	-	-	**13,629**
Unrestricted funds:					
General funds	165,593	1,341,807	(1,341,807)	7,903	**173,496**
Designated funds:					
Tangible fixed assets	153,034	-	(16,487)	-	**136,547**
Total unrestricted funds	318,627	1,341,807	(1,358,294)	7,903	**310,043**
Total funds	320,173	1,353,890	(1,358,294)	7,903	**323,672**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2021 £
Restricted Funds					
Campaign donations	-	1,546	-	-	1,546
Total Restricted Funds	-	1,546	-	-	1,546
Unrestricted funds:					
General funds	132,913	1,515,166	(1,515,166)	32,680	165,593
Designated funds:					
Tangible fixed assets	169,522	-	(16,488)	-	153,034
Total	302,435	1,515,166	(1,531,654)	32,680	318,627
Total funds	302,435	1,516,712	(1,531,654)	32,680	320,173

Purposes of restricted funds

The restricted fund for 'Campaign Donations' represents funds received from the public through donations. From December 2020 a donations page has been created on the Queen's Park webpage, inviting and enabling the public to make on-line donations to the Queen's Park Sandpit and Playground Improvements project. In total £12,083 was received during the year (2020/21: £1,546).

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

Fixed Assets – these are included at historic cost less accumulated depreciation in accordance with Note 1 (j). At 31 March 2022 the net book value of fixed assets amounted to £136,547 (2020/21 £153,034)

17. CONTINGENT LIABILITY

Two claims have been submitted against the charity in relation to an incident involving a tree fall on the charity's land. The existence of any obligation relating to these claims was uncertain at the reporting date as they had not yet been submitted, although the event to which the claims relate did take place in the year. The amount of any obligation against the charity cannot at this point be estimated reliably as the claims have not yet been assessed, so no amount has been included in the financial statements in relation to the claims.

18. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 8.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent amounts due to or from another entity at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	**2021/22 £**	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	**1,033,348**	1,364,066	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	
		212,658	200,606	Administrative services provided for the charity
		(nil)	(nil)	
		9,036	6,829	Distribution from the Charities Pool
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Highgate Wood and Queen's Park Kilburn

Registered charity number: 232986

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

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West Ham Park

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 206948

CONTENTS

ORIGINS OF THE CHARITY 1
STRUCTURE AND GOVERNANCE 2
ACHIEVEMENTS AND PERFORMANCE.....6
FINANCIAL REVIEW 8
TRUSTEE'S RESPONSIBILITIES 11
INDEPENDENT AUDITOR'S REPORT 13
STATEMENT OF FINANCIAL ACTIVITIES 16
BALANCE SHEET 17
NOTES TO THE FINANCIAL STATEMENTS 18
REFERENCE AND ADMINISTRATION DETAILS 31

ORIGINS OF THE CHARITY

West Ham Park was purchased in 1874 from Mr John Gurney. The conveyance to the City of London Corporation provided that it was to be held on trust forever “as open public grounds and gardens for the resort and recreation of adults and as playgrounds for children and youth”. The City of London Corporation agreed to maintain and preserve the Park for this purpose at its own cost. The Park is managed by a joint committee of 15 managers, eight of whom are appointed by the City of London Corporation, four by the heirs of the late John Gurney, one by the Parish of West Ham and two by the London Borough of Newham. The Park is listed in Historic England’s Register of Historic Parks & Gardens (Grade II).

This charity is operated as part of the City of London Corporation’s City’s Cash. The City of London Corporation is committed to fund the ongoing net operational costs of the charity in accordance with the purpose which is to maintain and preserve the Park “as open public grounds and gardens for the resort and recreation of adults and as playgrounds for children and youth”.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the indenture Acts dated 20 July 1874 and the schemes approved by the Charity Commission on 12 May 1981 and 27 September 1991. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of West Ham Park. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. For West Ham Park elected Aldermen and Members of the City of London Corporation, together with four members nominated by the heir-at-law of the late John Gurney, one member nominated by the London Borough of Newham, are appointed to the West Ham Park Committee governing West Ham Park by the Court of Common Council of the City of London Corporation.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **West Ham Park Committee –** responsible for the activities undertaken at West Ham Park, approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 31.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department, and West Ham Park became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of West Ham Park. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to hold West Ham Park on trust forever "as open public grounds and gardens for the resort and recreation for adults and as playground for children and youth". The City of London Corporation agreed to maintain and preserve the Park for this purpose at its own cost.

In support of these objectives the main activities of the Charity are set out in the West Ham Park Management Plan, and include the maintenance of grounds, gardens, infrastructure and play equipment, specifically the lawns, trees, plants, structures and hard landscaping that make up this 19th Century traditional park environment.

Volunteers

The Charity works closely with the Friends of West Ham Park who deliver numerous walks, talks and events throughout the year, as well as volunteering in the vegetable garden and wildlife garden, and undertaking organised litter-picks. Other volunteer opportunities with groups and individuals contributed over 1000 volunteer hours for 2021/22**.**

Remuneration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Although the West Ham Park charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From December 2020 a donations page has been created on the West Ham Park webpage, inviting and enabling the public to make on-line donations to the West Ham Park Playground Refurbishment campaign.

The charity has received no complaints in relation to fundraising activities in 2021/22 (2020/21: £nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing West Ham Park aims and objectives and in planning future activities. The purpose of the charity is to maintain and preserve the Park in perpetuity by the City of London Corporation as the Conservators of West Ham Park “as open public grounds and gardens for the resort and recreation of adults and as playgrounds for children and youth.

Consequently, the Trustee considers that West Ham Park operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 31.

ACHIEVEMENTS AND PERFORMANCE

The team at West Ham Park have ensured that the site remained open and accessible throughout the COVID-19 pandemic. However, with the focus on keeping the Park open, tidy and safe, this did impact on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

Key Targets for 2021/22 and review of achievement

ULEZ Compliant Vehicles: A replacement road-sweeping vehicle was successfully procured at the beginning of the financial year. The purchase of a replacement van, in common with other fleet replacement across the department and indeed across the country, remains outstanding due to severe procurement delays resulting from impacts of Brexit and Covid supply line issues. Discussions continue with the procurement team and suppliers to ensure that the replacement vehicle can be procured in the 2022/23 financial year.

Playground project: Tendering was successfully completed and Planning approval gained this year. Again, due to supply line issues resulting from the Covid pandemic and Brexit, the start date for works – originally proposed for September – was delayed. However works successfully started on site in January and should be completed by the end of July 2022, with the playground opening in time for the summer holidays.

West Ham Park Nursery Project: The project has continued to progress at pace this year, and in February Members voted in favour of their preferred developer selection, following a comprehensive tendering and evaluation exercise. Officers and Members will now work with the preferred developer to set strict criteria that will help inform the design, both of the development itself and of the additional green space and facilities to be provided.

The Park's team continue to work with City Surveyors and the City's Legal department to provide all necessary information to the Charity Commission to ensure full regulatory compliance in this major project.

Sports Partnerships: The charity has continued to work with sporting partners in order to maintain or increase active participation through sport at West Ham Park in line with agreed targets.

Learning in West Ham Park: Despite the "stop/start" nature of lockdown regulations at the beginning of 2021/22, the departmental Learning Team have worked exceptionally hard to continue delivering quality learning materials and face-to-face sessions throughout the year. During periods of lockdown sessions took place either virtually or with socially-distanced sessions on site, and through an extensive suite of virtual learning materials both for the students themselves, and for teachers to lead sessions in the classroom, linked closely to the needs of the National curriculum. With the easing of restrictions, the team were able to resume the full range of face-to-face sessions on site, the resulting uptake demonstrating how much these hands-on sessions had been missed by the children and schools' staff alike.

Budget Management: The 12.5% budget reduction was successfully achieved through a carefully-managed combination of reducing unnecessary expenditure and increasing income. Going forward, a key strategic objective for the Charity will be the successful realisation of the Nursery project (see above and below), which will ensure the Charity's financial sustainability for the future.

Corporate Restructure: The Superintendent has worked closely with the departmental senior leadership team and other senior officers from across the new Environment Department throughout 2021/22. This resulted in the proposed structure for the new department being agreed at Establishment Committee in January. Following extensive staff consultation, the proposed structure was adopted at the beginning of March, to become effective from the 2022/23 financial year. The new structure sees West Ham Park split from its former division of Parks and Gardens, to be aligned under the new Natural Environment Division, along with the City's other green spaces outside of the Square Mile. Any further changes will be considered as part of Phase 2 of the corporate restructure, which will be consulted upon over the summer of 2022, with the aim of implementing any further changes in autumn of 2022.

PLANS FOR FUTURE PERIODS

Subject to the continued removal of Coronavirus restrictions or any further new variants of the virus, the team will focus on delivering the following key projects over the next 12 months.

Key projects for 2022/23 include:

ULEZ Compliant Vehicles - the charity will continue to progress the procurement of a new van, compliant with the Ultra-Low Emissions Zone, and to ensure the long-term viability of the charity's vehicles and equipment.

Playground project – to complete the delivery of the playground by summer 2022.

West Ham Park Nursery Project - Work will continue with the City Surveyor and other partners towards delivering the West Ham Park Nursery Project.

Sports partnerships - The charity will continue to work with sporting partners in order to maintain or increase active participation through sport at West Ham Park, this year focussing on the future of tennis delivery in partnership with the Lawn Tennis Association.

West Ham Park Management Plan - Following completion of Phase 2 of the corporate restructure (see below) in autumn of 2022, and greater certainty on the Nursery Project, in the latter part of the year officers will undertake preparatory work for a new Park Management Plan.

Corporate Restructure Phase 2 - Work closely with officers across the new Natural Environment Division to successfully deliver Phase 2 of the corporate restructure by autumn 2022.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 18.

The Trustee is monitoring the situation and will continue with its plans to hold West Ham Park on trust forever “as open public grounds and gardens for the resort and recreation for adults and as playground for children and youth”.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity’s total income for the year was £1,540,247, an overall decrease of £62,470 against the previous year (£1,602,717). The principal source of income was from City of London Corporation’s City’s Cash fund (see below).

Income from Charitable Activities comprised £48,377 from fees charged (2020/21: £113,334) and £237,168 from rents (2020/21: £208,624). Given the impact of the COVID pandemic, the periods between lockdowns saw a much lower demand for certain sports, notably tennis, which resulted in a much lower than anticipated level of income. However, the 5-yearly rent review for the Cedars site resulted in a significant increase in terms, providing a higher than anticipated level of rental income.

There was no grant income received during the year (2020/21: £nil).

Donations - being amounts received from the public through donations. A donation of £1,546 was received from a customer toward materials, inscription, delivery and installation costs of a memorial bench (2020/21: £nil). Donations can be made on the West Ham Park webpage, to the West Ham Park Playground Refurbishment project. In total £1,140 was received during the year (2020/21: £256). The full amount was held as at 31 March 2022 in a restricted fund for ‘Campaign Donations’.

Interest of £791 from cash held following the sale of property was received (2020/21: £1,186).

Other income of £1,204 was received through Learning Programme recharges in relation to Coronavirus Job Retention Scheme (2020/21: £333).

An amount of £1,250,021 (2020/21: £1,278,984) was received from the City of London Corporation’s City’s Cash as a contribution towards the running costs of the charity.

Expenditure

Total expenditure for the year was £1,479,194, with all expenditure relating to charitable activities (2020/21: £1,612,456). The decrease in expenditure is owing to a lower number of cyclical building works taking place during the year and vacancies being held at West Ham Park whilst the department went through its restructure.

Funds held

The charity's total funds held increased by £61,053 to £111,284 as at 31 March 2022 (2020/21: £50,231).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2022 totalled £109,888 (2020/21: £49,975). The increase in designated funds is due to the delivery of the refurbishment of the playground. These designated funds represent the net book value of fixed assets held.

A restricted fund of £1,396 (2020/21: £256) was held at year-end. This relates to Campaign Donations for the West Ham Park Playground Refurbishment project.

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve West Ham Park out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the trustee to be inappropriate.

Donations are now being sought and these may be carried forward but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Health & Safety	Continue to develop a good culture of reporting accidents, incidents and near-misses. Contractor protocol is in place including works undertaken by City Surveyor's and external contractors. Regular review of on-site health and safety by peer review. Clear roles and responsibilities set out in documentation and reinforced through training. It is accepted that when providing a hands-on service and dealing with the public, a certain level of risk is inevitable and therefore cannot be removed completely.

Risk	Actions to manage risks
Extreme weather and climate change risk	City Climate Adaptation Strategy in place. Emergency Plan in place; monitoring of warning systems; Extreme Weather Policy adopted for the Charity. Current level of risk cannot be removed completely.
Population increase (residential and worker)	Attend meetings and respond to consultation on local plans of neighbouring boroughs. Maintain a close partnership with planning authorities.
Major incident resulting in prolonged 'Access Denial'	Emergency Plan is in place and will be reviewed during the year. Team is represented on the Resilience Forum and Public Realm Security Advisory Board. Actions and implications are disseminated to staff. All staff are trained in relevant areas.
Ultra-Low Emissions Zone	Non-compliant vehicles being replaced.
Poor repair and maintenance of buildings (inadequate planned or reactive maintenance)	Statutory checks carried out to set schedule. Most pressing repairs/assets at risk have been escalated through the Cyclical Works Programme (CWP) or identified and submitted as target projects under the City Corporation's projects procedure. Seeking to further reduce current risk level
Pests and diseases	Comprehensive tree management system in place. Staff trained in early identification and treatment. Some residual risk accepted (natural cycles).
Poor Public Behaviour	Continue to work with the London Borough of Newham enforcement team, police, schools liaison and SNTs. Dog Control Orders in place where required.
Budged reduction and income loss	Work closely with Chamberlain's Department to monitor budget lines and keep them informed as financial situation develops. Predictions on loss of income being worked up to aid longer term decision making, including rental, sports provision, catering and retail. Non-essential works cancelled and focus placed on increasing income to offset budget reduction. Review of staffing structures likely in order to align with the corporate restructure (Phase 2).

There is a comprehensive system in place for monitoring each of these risks and mitigating actions are undertaken including training, strengthening controls and plans of action.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee of
The City of London Corporation

Randall Keith Anderson, Deputy
Deputy Chairman of Finance Committee
of The City of London Corporation

Guildhall, London
xx January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF WEST HAM PARK

Opinion

We have audited the financial statements of West Ham Park ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 and 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**2021/22 £**	2020/21 £
Income from:					
Voluntary activities	2	-	2,686	**2,686**	256
Charitable activities	3	285,545	-	**285,545**	321,958
Grant from City of London Corporation	4	1,250,021	-	**1,250,021**	1,278,984
Investments	5	791	-	**791**	1,186
Other income	6	1,204	-	**1,204**	333
Total income		1,537,561	2,686	**1,540,247**	1,602,717
Expenditure on:					
Charitable activities:					
Maintenance and preservation of West Ham Park	7	1,477,648	1,546	**1,479,194**	1,612,456
Total expenditure		1,477,648	1,546	**1,479,194**	1,612,456
Net income/(expenditure)		59,913	1,140	**61,053**	(9,739)
Net movement in funds		59,913	1,140	**61,053**	(9,739)
Reconciliation of funds:					
Total funds brought forward (as at 1 April 2021)	15	49,975	256	**50,231**	59,970
Total funds carried forward	15	109,888	1,396	**111,284**	50,231

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 18 to 31 form part of these financial statements.

BALANCE SHEET

AS AT MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Tangible assets	11	**109,888**	49,975
Total fixed assets		**109,888**	49,975
Current assets:			
Debtors	12	**77,895**	36,765
Cash at bank and in hand		**27,532**	102,339
Total current assets		**105,427**	139,104
Creditors: Amounts falling due within one year	13	**(104,031)**	(138,848)
Net current assets		**1,396**	256
Total assets less current liabilities		**111,284**	50,231
The funds of the charity:			
Restricted income funds	15	**1,396**	256
Unrestricted income funds	15	**109,888**	49,975
Total funds		**111,284**	50,231

The notes on pages 18 to 31 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of Preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. For these reasons the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants (including government grants), investment income, interest, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension Costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

West Ham Park comprises 31 hectares (77 acres) of land, together with associated buildings, located in the London Borough of Newham. The objects of the charity are to hold West Ham Park as open public grounds and gardens for the resort and recreation for adults and as a playground for children and youths. West Ham Park is considered to be inalienable (i.e. may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

Additions to the original land and capital expenditure on buildings and other assets would be included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible Fixed Assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Equipment	5 to 25

(j) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(k) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted Funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted Income Funds – these funds can be used in accordance with the charitable objectives at the discretion of the Trustee and includes income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated Funds – these are funds set aside by the Trustee from the unrestricted funds for a specific purpose.

(l) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	Restricted funds	**Total 2021/22**	Unrestricted funds	Restricted funds	Total 2020/21
	£	£	**£**	£	£	£
Donations and legacies	-	2,686	**2,686**	-	256	256

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Charges for use of facilities	**48,377**	113,334
Rental income	**237,168**	208,624
Total	**285,545**	321,958

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Revenue and capital grants from City of London Corporation	**1,250,021**	1,278,984

5. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Bank interest	**791**	1,186

6. OTHER INCOME

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Other income	**1,204**	333

Income for the year included:

Grants - being amounts received from organisations towards specific programmes operated by the charity. There was no grant income received during the year and in the previous year.

Donations – being amounts received from the public through donations. From December 2020 a donations page has been created on the West Ham Park webpage, inviting and enabling the public to make on-line donations to the West Ham Park Playground Refurbishment project.

Charitable activities – being amounts generated from the sales of leaflets, books, maps, cards and other publications relating to West Ham Park; charges made to the public for the use of facilities, admissions and services; and rental income from Strutt & Parker in relation to two lodges at 240 and 242 Upton Lane, from Territorial Army and Mobile Refreshment Facility licence respectively.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Investments - interest from a capital receipt in respect of the sale of property.

Other income - included in Other Income on the Statement of Financial Activities is a government grant received from the Coronavirus Job Retention Scheme of £1,204 through Learning Programme recharges (2020/21: £333), There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

Expenditure on charitable activities

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Maintenance and preservation of West Ham Park	1,220,874	258,320	**1,479,194**	1,365,237	247,219	1,612,456

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of West Ham Park.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fees incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

Support costs

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Department:				
Chamberlain	50,872	-	**50,872**	44,240
Comptroller & City Solicitor	10,535	-	**10,535**	-
Town Clerk	-	33,331	**33,331**	25,868
City Surveyor	52,105	-	**52,105**	78,539
Open Spaces directorate	50,359	-	**50,359**	34,893
Other governance & support costs	17,508	5,000	**22,508**	16,540
Digital Services	38,610	-	**38,610**	47,139
Sub-total	219,989	38,331	**258,320**	247,219
Reallocation of governance costs	38,331	(38,331)	**-**	-
Total	258,320	-	**258,320**	247,219

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

9. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 15 (2020/21: 17).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**500,961**	548,248
National Insurance costs	**43,826**	50,430
Employer's pension contributions	**95,098**	104,451
Total emoluments of employees	**639,885**	703,129

The number of directly charged employees whose emoluments (excluding employer's NI and pension contribution) for the year were over £60,000 was £nil (2020/21: £nil).

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Natural Environment who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £9,062 (2020/21: £6,018). The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: nil).

10. HERITAGE ASSETS

Since 1874 the primary purpose of the charity has been the preservation of West Ham Park for the recreation and enjoyment of the public. As set out in Note 1(i), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of West Ham Park are contained in the West Ham Park Management Plan 2010. Records of heritage assets owned and maintained by West Ham Park can be obtained from the Executive Director Environment at the principal address as stated on page 31.

11. TANGIBLE FIXED ASSETS

	Equipment
	£
Cost	
At 1 April 2021	**146,828**
Additions	**69,908**
Disposals	**-**
At 31 March 2022	**216,736**
Depreciation	
At 1 April 2021	**96,853**
Charge for the year	**9,995**
Disposals	**-**
At 31 March 2022	**106,848**
Net book value	
At 31 March 2022	**109,888**
At 31 March 2021	**49,975**

12. DEBTORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	**8,933**	8,125
Recoverable VAT	**15,384**	17,675
Other Debtors	**53,578**	10,965
Total	**77,895**	36,765

Other debtors consist of sundry debtors of £10,800 (2020/21: £10,740) and rental debtors of £42,778 (2020/21: £225).

13. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**13,391**	32,904
Accruals	**44,172**	54,575
Deferred income	**39,279**	40,825
Other creditors	**7,189**	10,544
Total	**104,031**	138,848

Other creditors consist of sundry creditors of £7,042 (2020/21: £10,397) and sundry deposits of £147 (2020/21: £147).

Deferred income relates to rental income received in advance for periods after the year-end.

	2022	2021
Deferred income analysis within creditors:	**£**	£
Balance at 1 April	40,825	31,374
Amounts released to income	(40,825)	(31,374)
Amounts deferred in the year	39,279	40,825
Balance at 31 March	**39,279**	40,825

14. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted income funds				
	General funds	Designated funds	Restricted funds	**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	**£**	£
Tangible assets	-	109,888	-	**109,888**	49,975
Current assets	104,031	-	1,396	**105,427**	139,104
Current liabilities	(104,031)	-	-	**(104,031)**	(138,848)
Total	-	109,888	1,396	**111,284**	50,231

At 31 March 2021	Unrestricted income funds				
	General funds	Designated funds	Restricted funds	Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£	£
Tangible assets	-	49,975	-	49,975	59,970
Current assets	138,848	-	256	139,104	217,482
Current liabilities	(138,848)	-	-	(138,848)	(217,482)
Total	-	49,975	256	50,231	59,970

15. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Transfers £	**Total as at 31 March 2022 £**
Restricted funds:					
Campaign Donations	256	1,140	-	-	**1,396**
Memorial bench donation	-	1,546	(1,546)	-	**-**
Total restricted funds	256	2,686	(1,546)	-	**1,396**
Unrestricted funds:					
General funds	-	1,467,653	(1,467,653)	-	**-**
Designated funds:					
Tangible fixed assets	49,975	69,908	(9,995)	-	**109,888**
Total designated funds	49,975	69,908	(9,995)	-	**109,888**
Total unrestricted funds	49,975	1,537,561	(1,477,648)	-	**109,888**
Total funds	50,231	1,540,247	(1,479,194)	-	**111,284**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Total as at 31 March 2021 £
Restricted funds:					
Campaign Donations	-	256	-	-	256
Total restricted funds	-	256	-	-	256
Unrestricted funds:					
General funds	-	1,602,461	(1,602,461)	-	-
Designated funds:					
Tangible fixed assets	59,970	-	(9,995)	-	49,975
West Ham Park Nursery	-	-	-	-	-
Total designated funds	59,970	-	(9,995)	-	49,975
Total unrestricted funds	59,970	1,602,461	(1,612,456)	-	49,975
Total funds	59,970	1,602,717	(1,612,456)	-	50,231

Purposes of restricted funds

The restricted fund for 'Campaign Donations' represents funds received from the public through donations. From December 2020 a donations page has been created on the West Ham Park webpage, inviting and enabling the public to make on-line donations to the West Ham Park Playground Refurbishment project. In total £1,140 was received during the year (2020/21: £256).

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

i. *Fixed Assets* – Equipment is included at historic cost less accumulated depreciation and any impairment. As at 31 March 2022 the net book value of fixed assets relating to direct charitable purposes amounted to £109,888 (2020/21: £49,975). There was an addition of £69,908 during the year relating to the delivery of the refurbishment of the playground.

16. EVENTS AFTER THE END OF THE REPORTING PERIOD

During the year the charity accepted a conditional offer of £13.1m (subject to planning permission, provision of operational assets requested by the charity, and contract) for the purchase of a 999 year long leasehold development opportunity in relation to part of the former nursery site. A 10% stakeholders deposit of £1.3m is expected to be received in 2022/23.

17. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as describe on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 7.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	**Connected party**	**2021/22 £**	2020/21 £	**Detail of transaction**
City of London Corporation	The City of London Corporation is the Trustee for the charity	**1,250,021 (nil)**	1,278,984 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		258,320 (nil)	247,219 (nil)	Administrative services provided for the charity

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: West Ham Park

Registered charity number 206948

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021**)**

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

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West Wickham Common and Spring Park Wood Coulsdon and other Commons

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration numbers 232988 and 232989

CONTENTS

Origins of the charities 1

Structure and governance 2

Achievements and performance 8

Financial review 11

Trustee responsibilities 14

Independent auditor's report 16

Statement of financial activities 19

Balance sheet 20

Notes to the financial statements 21

Reference and administration details 34

ORIGINS OF THE CHARITY

West Wickham, Spring Park and Coulsdon and other Commons is a collection of separate sites comprising of over 275-hectares of area of open space, made up of natural chalk grassland, wooded pasture, copse and natural wooded areas, including several veteran species. Its natural and cultural heritage are of national importance, the legacy of centuries of interaction between people and the environment. The Coulsdon and other Commons were designated as part of the South London Downs National Nature Reserve in 2019.

Acquisition

In 1883 the City of London Corporation bought the freehold to the greater part of Coulsdon Common as one of the four Coulsdon Commons. Further acquisitions were made in 1924 (a strip of land on the north side of Stites Hill Road and part of Rydons Wood), 1936 (the remainder of Rydons Wood), 1939 (the area known as Merlewood) and 2003 (an enclosure which was the site of a windmill). The City of London Corporation also owns a plot of land adjacent to, but not part of Coulsdon Common that is occupied by the Merlewood Estate Office, tied accommodation for its Rangers and the Lodge Garden. This land is not public open space. In 1926, the City of London Corporation was given the woodland at Spring Park as a gift from Colonel Sir Arthur and Stephen Hallam Farnaby Lennard of Wickham Court. In 1927, the area of open meadow between the woodland and the Addington Road was sold to the City of London Corporation from the same vendors for a cost of £1,623 2s 6d.

The City of London Corporation bought the four Coulsdon Commons, including Kenley, in 1883 from the Lord of the Manor of Coulsdon, Edmund Byron. During the First World War the Air Ministry requisitioned the whole Common (20.6 hectares) to form part of Kenley Aerodrome. After the war only the northern half was returned but 25 ha of adjacent agricultural land was compulsory purchased and given to the City in substitution for the land lost to the airfield, now owned by the Ministry of Defence (MoD). In 1965 the City of London Corporation extended its holding when it bought land between Welcomes Road and Kenley Lane. Then in 1983 the City acquired land outside the perimeter track of the airfield that was no longer required for military purposes. Finally, in 2004, a small parcel of land, (0.63 hectares) linking Kenley and Coulsdon Commons was returned from the MoD.

Farthing Downs was also part of the 1883 acquisition. Prior to this, it belonged to the Lord of the Manor of Coulsdon. In 2002 New Hill, together with Eight and Ten Acre, was bought at auction by the City of London Corporation from a developer. In 2004, Woodplace Farm Fields to the west of Farthing Downs were also purchased by the City of London Corporation, following a successful local fund-raising appeal.

Riddlesdown Common was the last of the four ‘Coulsdon Common’ also acquired in 1883. Coombes Wood and Donkey Field were acquired in 1929, the Bull Pen in 1973, Riddlesdown Quarry and adjacent Quarry Field in 1996, and the Riddlesdown Cottage plot in 2006.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the Corporation of London (Open Spaces) Act 1878. The charities are constituted as charitable trusts.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of West Wickham Common and Spring Park Wood Coulsdon and other Commons. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of these charities to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Elected Aldermen and Members of the City of London Corporation are appointed to the Epping Forest and Commons Committee governing West Wickham Common and Spring Park Wood Coulsdon and other Commons by the Court of Common Council of the City of London Corporation.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charities during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Epping Forest & Commons Committee –** responsible for the activities undertaken at West Wickham Common and Spring Park Wood, Coulsdon and Other Commons approving budget allocations for the forthcoming year and acting as Trustees of the charity.
- **West Wickham, Spring Park and Coulsdon Commons Consultation Group -** provides a forum for local residents and users to comment upon both the management of Coulsdon Common and its neighbouring public open spaces: Kenley Common (with its World War II-era airfield), Riddlesdown, and Farthing Downs and New Hill.

- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charities. A comprehensive review of governance is ongoing to ensure that the charities are effective in fulfilling objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charities are administered in accordance with their governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 34.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charities by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department, and West Wickham Common and Spring Park Wood Coulsdon and other Commons became part of the Environment Department from 1 April 2022.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charities, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of West Wickham Common and Spring Park Wood Coulsdon and other Commons. If suitable seminars or other training options are identified that are relevant to the charities, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objectives of the charities are the preservation and maintenance of West Wickham Common and Spring Park Wood Coulsdon, as Open Spaces for the recreation and enjoyment of the public.

Purposes of the charity as set out in the governing document, the Corporation of London (Open Spaces) Act 1878 and the Open Spaces Act 2018:

- West Wickham and Spring Park Wood and Coulsdon and other Commons to be kept as open space for public recreation.
- Natural aspect to be preserved.
- Protect the timber and other trees, pollards, shrubs, underwood and herbage.
- Land to be unenclosed and un-built upon, except those features required for better attainment of the Act and deemed necessary by the City.
- Byelaws protecting the site and its features to be enforced.
- Encroachments to be resisted and abated.

Main activities undertaken in relation to these purposes:

- Practical conservation management activities to maintain the biodiversity of the open spaces, including tree surgery work on the veteran oaks, bracken suppression and management of firebreaks, scrub, chalk grassland and wetland habitats.
- Providing volunteering opportunities to encourage community involvement.
- Providing and maintaining facilities for informal recreation.
- Grazing with cattle, sheep and goats.
- Protecting the open spaces and its users from harm by patrolling, enforcing byelaws, resisting encroachments, challenging threats and managing assets.
- Providing educational activities and events.
- Surveying and monitoring, for wildlife, visitor use, archaeological investigations and pollution monitoring.
- Managing and protecting Scheduled Monuments, including Farthing Downs, a scheduled ancient monument and Kenley airfield and the World War II heritage assets.
- Managing and creating chalk downland and woodland pasture.

West Wickham and Spring Park Wood and Coulsdon and other Commons natural and cultural heritage are of national importance, the legacy of centuries of interaction between people and the environment. As we progress through the 2020's and beyond the challenge of protecting this valuable resource will increase as pressures from environmental and human factors mount.

Aims of the charity

- Maintain the biodiversity of West Wickham and Spring Park Wood and Coulsdon and other Commons by managing habitats to favourable condition and achieving conservation gains that benefit the site and beyond. *Governing document link: preserve natural aspect, protect the timber and other trees, pollards, shrubs, underwood and herbage.*

- Encourage the sustainable use of West Wickham and Spring Park Wood and Coulsdon and other Commons for recreation and promote community involvement in all aspects of the site. *Governing document link: commons acquired by the City to be kept as open spaces for the recreation and enjoyment of the public.*

- Protect West Wickham and Spring Park Wood and Coulsdon and other Commons and its users from harm. Challenge threats and maintain assets, including heritage assets, in good condition. *Governing document link: open spaces kept unenclosed and unbuilt upon. Shall by all lawful means prevent, resist and abate enclosures, encroachments and buildings upon. The City may from time to time make and alter byelaws.*

The West Wickham and Spring Park Wood and Coulsdon and other Commons Management Plans describe the strategy for achieving these aims.

Volunteers

Group volunteering was suspended for periods during 2021/22 in response to the Covid-19 pandemic. Individual volunteering for activities such as litter picking and livestock checking continued and increased as lockdown measures came to an end. All six Commons received requests from locals wanting to help out in some way such that our volunteer numbers have increased by over 52 individuals. Despite conditions we exceeded 2,310 volunteer hours.

Remuneration Policy

The charities senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of recognition awards.

The above policy applies to staff within the charities key management personnel, as defined within note 7 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion

in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although West Wickham Common and Spring Park Wood Coulsdon and other Commons charities does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charities are not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

From March 2021 a donations page has been created on the Farthing Downs webpage, inviting and enabling the public to make on-line donations to the Farthing Downs Interpretation Improvements campaign.

The charity has received no complaints in relation to fundraising activities in 2021/22 (2020/21: nil). Individuals are not approached for funds, hence the charities do not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing West Wickham Common and Spring Park Wood Coulsdon and other Commons aims and objectives and in planning future activities. The purposes of the charities are the preservation in perpetuity of West Wickham Common and Spring Park Wood Coulsdon and other Commons as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that West Wickham Common and Spring Park Wood Coulsdon and other Commons operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charities are stated on page 34.

ACHIEVEMENTS AND PERFORMANCE

West Wickham and Coulsdon Commons teams have ensured that the sites remained open and accessible throughout the COVID-19 pandemic. However, with the focus on keeping the Commons open, tidy and safe, this did impact on the delivery of some of the projects planned for 2021/22 which will roll over into 2022/23.

West Wickham and Coulsdon Commons 2021/22 aims together with their outcomes were:

Management Planning - New 10-year Site Management Plan - In addition to the approved plan for the West Wickham Commons produced in early 2021, further plans for the Coulsdon Commons were produced and consulted upon this year. These last four plans will be presented to Epping Forest and Commons Committee in May 2022 for final approval.

Countryside Stewardship Scheme - An application for the next round of Government Grants was submitted to the Rural Payments Agency (RPA) in March 2021. It was confirmed in December 2021 that our application was successful and funding for the next 5 years of our grassland habitat management plans secured. The funding resource is primarily for the maintenance of habitats created during the previous 10-year Higher Level Stewardship Scheme (HLS) which ended in 2021.

Countryside Management:

Grassland – The majority of the current funded programme to restore open areas on Farthing Downs, New Hill, Coulsdon Common, Kenley Common and Riddlesdown is complete. This brings to an end the previous 10-year Environmental Stewardship Scheme (ESS) which started in 2011.

Scrub – This rolling project continues to manage blocks of retained scrub on Farthing Downs and restore succession on New Hill. This natural habitat work is seasonal and species varied depending on the time of year and climatic conditions.

Woodland - Tree safety management, coppicing and glade creation on Coulsdon Common, West Wickham, Spring Park and Riddlesdown. Ash dieback clearance took place on New Hill. This will enhance the natural environment whilst removing dead and dying Ash trees, creating valuable habitat for other species. This will limit the transmission of the disease to other Ash trees in the vicinity.

Ranger Presence - Increased patrols and site safety checks whilst Coronavirus restrictions remained in place ensured boundaries were secure and staff and members of the public were safe.

Kenley Revival Project - Concluded the final elements of HLF funded Kenley Revival Project and resolved conservation issues with the built heritage assets.

Riddlesdown Quarry - Concluded the safety works.

Budget management – Achieved financial savings as required through a combination of reducing expenditure and appropriate income generation activities such as charging for parking and renting surplus properties.

Corporate Restructure - Supported the development of the City of London Corporation's new corporate restructure (Phase 1) which created the new Environment Department within which this charity now sits.

PLANS FOR FUTURE PERIODS

The Coronavirus pandemic was still very much part of operations at the start of 2022/23. This may have an impact on income and the ability to deliver some projects in the next 12 months.

Key projects for 2022/23 include:

Staff - Following the completion of the corporate restructure (Phase1) and agreement of the new staff structure, recruit to vacant positions as agreed.

Countryside Stewardship - Establish an evidence-based monitor and review system to record the habitat management work across our sites.

Countryside Management:
Grassland - Ongoing maintenance of species-rich chalk grassland habitats through grazing and hay-cutting that satisfies prescription from Natural England and enhances and enriches biodiversity across all sites.

Scrub - control scrub to create and maintain open downland landscape focusing on chemical-free "tree-popping". This facilitates larger grazing areas and enhances the mosaic of grassland habitats across the sites.

Woodland - Tree safety management, coppicing and glade creation. Ash dieback clearance on Kenley Common and New Hill will continue.

Events - Reinstate our programme of walks, talks and guided events which were cancelled during the Covid-19 pandemic.

Volunteers - With Covid-19 restrictions lifted, we will aim to increase volunteer numbers, hours, and profile across all sites within charities.

Trial of the Nofence ® (virtual fencing) - Continue to develop, monitor and review the use of this technology for the management of our sites. In particular, trial the technology in previously unfenced areas, managing risk and keeping partners and our local community appraised.

Budget management - Achieve financial savings as required through a combination of reducing expenditure and appropriate income generation activities. This includes a trial of a mobile catering facility on Riddlesdown Common. We will aim to seek grant funding from external sources and continue to review how we allocate resources generally.

Corporate Restructure - Support the development of the City of London Corporation's new corporate restructure Phase 2.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 21.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £1,285,520 an overall decrease of £39,742 against the previous year (£1,325,262). The principal source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £58,322 from fees charged (2020/21: £16,065), £43,568 from rents (2020/21: £31,159) and £14,776 from sales (2020/21: £28,934). 2021/22 saw decreased sales of livestock. In January 2021, car parking charges were introduced at the Riddlesdown and Farthing Downs car park which resulted in an increase in fees and charges for use of facilities.

In total grant income of £116,951 was received in the year, towards programmes administered by the charities (2020/21: £154,990) (see below).

- A government grant of £36,685 (2020/21: £65,937) was received from the Rural Payment Agency in relation to Agri - environment schemes that provide funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil. The reduction in grant was due to the transition to the new Countryside Stewardship Scheme (CSS).

- A restricted grant of £80,266 (2020/21: £89,053) was received from the Heritage Lottery Fund (HLF) towards the Kenley Revival project which aims to conserve the historic airfield structures associated with Kenley Airfield during World War II and to promote the heritage resource to make it accessible to a wider range of people.

Donations – included contributions towards corporate volunteering events and for free events such as guided walks, as well as amounts donated by the public at walks and talks advertised via Eventbrite. In total £3,457 was received during the year (2020/21: £166). Donations can be made on the Farthing Downs webpage to the Farthing Downs Interpretation Improvements project. In total £2,934 was received during the year (2020/21: £nil). The full amount was held as at 31 March 2022 in a restricted fund for 'Campaign Donations'

An amount of £1,046,052 (2020/21: £1,093,948) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charities.

Expenditure

Total expenditure for the year relating to charitable activities expenditure was £1,126,927 (2020/21: £1,390,281). The decrease in expenditure is owing to a lower number of cyclical building works taking place during the year.

Funds held

The charity's total funds held increased by £158,593 to £574,876 as at 31 March 2022 (2020/21: decreased by £65,019 to £416,283).

A restricted fund of £2,394 (2020/21: £nil) was held at year-end. This relates to Campaign Donations for the Farthing Downs Interpretation Improvements project.

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignated" these funds at any time. Designations as at 31 March 2022 totalled £571,742 (2020/21: £416,283). The increase in designated funds relates to heritage assets additions during the year in relation to the Kenley Revival project.

A general fund of £740 (2020/21: £nil) relates to surplus unrestricted donation income received in 2021/22.

Details of all funds held, including their purposes, is set out within note 14 to the financial statements.

Reserves

The charities are wholly supported by the City of London Corporation which is committed to maintain and preserve West Wickham Common and Spring Park Wood Coulsdon and other Commons out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, these charities have no free reserves and a reserves policy is considered by the trustee to be inappropriate.

Donations are now being sought and these may be carried forward, but there is currently no intention to hold them as a minimum amount owing to the deficit funded status of the Charity.

Principal Risks and Uncertainties

The Trustee is committed to a programme of risk management as an element of its strategy to preserve the charities assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charities, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charities, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Reduction in funding	• Seek additional grant funding from Natural England's Countryside Stewardship Scheme, Forestry Commission and other external sources.

Risk	Actions to manage risks
	• Ensure future plans are scalable and reduce costs where necessary.
Climate and Weather	• Review and update plan bi-annually. • Fire management and monitoring policies and plans in place and link to staff training and local emergency services. • Storm monitoring and management policies across all sites linked to high staff awareness and training. • Understanding of the potential impacts of climate change on the open spaces. • Engagement in climate change research and debate.
Tree Diseases and other Pests	• Ensure staff training is kept updated to enable timely identification of pest and knowledge of correct treatment/ prevention. • Annual tree inspections undertaken through qualified personnel. • Active involvement with leading partners such as Forestry Commission and Natural England. • Measures in place for staff, volunteers and contractors including public messages.
Local planning issues	• Inclusion in core strategy planning documents where applicable. • Close partnership working with local planning authorities. • Active monitoring of planning applications with responses as appropriate.
Health & safety failure	• Adequate and appropriate training for staff and volunteers - link to PDRs (all line managers). • Links to other departmental service providers in Natural Environment Division. • Clear and appropriate communication.
Accelerated long term damage to sites	• Rangers increased engagement with site users and review provision of dog waste bins. • Ranger campaigns to raise awareness of increased footfall leading to compaction and erosion of soil created anaerobic conditions unfavourable for plant health. Additional signs, zoning and public information notices. • Additional monitoring and ecological assessment in areas of increased incursions into sensitive areas e.g. trampling of delicate local ecosystems (*esp. rare orchid sites on the chalk grassland)* - signs and public information notices. • Parking charges are affecting the type/number of visitors to sites.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy
Chairman of Finance Committee
of The City of London Corporation

Guildhall, London

Randall Keith Anderson, Deputy
Deputy Chairman of Finance
Committee of The City of London
Corporation
Guildhall, London

xx January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF WEST WICKHAM COMMON AND SPRING PARK WOOD COULSDON AND OTHER COMMONS

Opinion

We have audited the financial statements of West Wickham Common and Spring Park Wood Coulsdon and Other Commons ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise

to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 14 and 15, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we

considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX/XX/XXXX

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds 2021/22 £	Restricted Funds 2021/22 £	**Total Funds 2021/22 £**	Unrestricted Funds 2020/21 £
Income from:					
Voluntary activities	2	40,142	82,660	**122,802**	155,156
Charitable activities	3	116,666	-	**116,666**	76,158
Grant from City of London Corporation	4	1,046,052	-	**1,046,052**	1,093,948
Total income		1,202,860	82,660	**1,285,520**	1,325,262
Expenditure on:					
Charitable activities:					
Preservation and operation of West Wickham Common and Spring Park Wood	5	1,126,927	-	**1,126,927**	1,390,281
Total expenditure		1,126,927	-	**1,126,927**	1,390,281
Net income/(expenditure)		75,933	82,660	**158,593**	(65,019)
Transfers between funds		80,266	(80,266)	**-**	-
Net movement in funds		156,199	2,394	**158,593**	(65,019)
Reconciliation of funds:					
Total funds brought forward	14	416,283	-	**416,283**	481,302
Total funds carried forward	14	572,482	2,394	**574,876**	416,283

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 21 to 34 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Heritage assets	8	**575,365**	409,394
Tangible assets	9	**5,957**	6,889
Intangible assets	10	**420**	-
Total fixed assets		**581,742**	416,283
Current assets			
Debtors	11	**12,240**	117,919
Cash at bank and in hand		**52,151**	47,208
Total current assets		**64,391**	165,127
Current liabilities			
Creditors: Amounts falling due within one year	12	**(71,257)**	(165,127)
Net current (liabilities)/assets		**(6,866)**	-
Total assets less current liabilities		**574,876**	416,283
The funds of the charity:			
Restricted income funds	14	**2,394**	-
Unrestricted income funds	14	**572,482**	416,283
Total funds		**574,876**	416,283

The notes on pages 21 to 34 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charities.

(a) Basis of preparation

The financial statements of the charities, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charities ability to continue as a going concern. The governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the next 12 months from the date of these financial statements being signed to enable the charities to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and current high inflationary pressures on the financial position, including future income levels and planned expenditure and the liquidity of the charity over the next 12-month period. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets.

(d) Statement of Cash Flows

The Trust has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity. A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charities are legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charities and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, contributions, grants, sales and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charities and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed, and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charities to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charities as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charities, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 6.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charities account for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of

its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The 31 March 2022 valuation is being carried out in 2022/23 and must be finalised before 31 March 2023, which will set contribution rates for the period 01 April 2023 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charities meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charities are exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

West Wickham Common and Spring Park Wood Coulsdon and other Commons comprises 277 hectares (685 acres) of land located in the London Boroughs of Bromley and Croydon, together with associated buildings. The objects of the charities are the preservation of West Wickham Common and Spring Park Wood Coulsdon and other Commons in perpetuity as an Open Space for the recreation and enjoyment of the public. West Wickham Common and Spring Park Wood Coulsdon and other Commons is considered to be inalienable (i.e. they may not be disposed of without specific statutory powers).

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts

Additions to the original land and capital expenditure on buildings and other assets are included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows. Land is not depreciated.

	Years
Infrastructure	up to 20
Heavy vehicles and plant	5

Intangible fixed assets

Intangible assets comprise website design relating to the Kenley Revival project which are capitalised at cost and reflected within the financial statements at amortised historic cost.

Amortisation is calculated by allocation of the balance sheet value of the asset, less any residual value, to the periods expected to benefit from its use on a straight-line basis over 3 to 7 years. Amortisation charges are charged to the SOFA.

(j) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charities operations.

(k) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(l) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charities which is carried forward to meet the requirements of future years, known as free reserves.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(m) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted income funds	Restricted income funds	**Total 2021/22**	Unrestricted income funds 2020/21
	£	£	**£**	£
Grants	36,685	80,266	**116,951**	154,990
Donations and legacies	3,457	2,394	**5,851**	29
Total	40,142	82,660	**122,802**	155,156

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted income funds **2021/22**	Unrestricted income funds 2020/21
	£	£
Charges for use of facilities	**58,322**	16,065
Sales	**14,776**	28,934
Rental income	**43,568**	31,159
Total	**116,666**	76,158

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted income funds **2021/22**	Unrestricted income funds 2020/21
	£	£
Revenue and capital grants from City of London Corporation	**1,046,052**	1,093,948

Income for the year included:

Grants – being amounts received from organisations towards programmes operated by the charity. Grant income includes a government grant received from the Rural Payment Agency (RPA) which provides funding to farmers and land managers to farm in a way that supports biodiversity, enhances the landscape, and improves the quality of water, air and soil. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

Other grant income is from Heritage Lottery Fund towards the Kenley Revival Project which aims to conserve the historic airfield structures associated with Kenley Airfield

during World War II and to promote the heritage resource to make it accessible to a wider range of people.

Donations – being amounts received from the public for walks and talks advertised via Eventbrite. Donations can be made on the Farthing Downs webpage, to the Farthing Downs Interpretation Improvements project.

Contributions – being amounts contributed towards corporate volunteering events and by the public towards free events such as guided walks.

Charitable activities – being amounts generated from the sales of livestock and woodland products such as timber and charcoal; from charges made for the use of facilities, such as for car parking, for filming on City Commons and from rental of catering facilities, licence fees and wayleave licences.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charities, alongside funding for capital purchases.

5. EXPENDITURE

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation and operation of West Wickham Common and Spring Park Wood	945,897	181,030	**1,126,927**	1,218,100	172,181	1,390,281

Charitable activity

Expenditure on the charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of West Wickham Common and Spring Park Wood Coulsdon and other Commons.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

6. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the charities, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charities based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

Support costs

	Charitable activities	Governance	**2021/22**	2020/21
	£	£	**£**	£
Department:				
Chamberlain	37,332	-	**37,332**	36,821
Comptroller & City Solicitor	6,684	-	**6,684**	-
Town Clerk	-	21,146	**21,146**	25,006
City Surveyor	31,315	-	**31,315**	38,091
Open Spaces directorate	40,842	-	**40,842**	27,342
Other governance & support costs	9,493	5,000	**14,493**	9,904
Digital Services	29,218	-	**29,218**	35,017
Sub-total	154,884	26,146	**181,030**	172,181
Reallocation of governance costs	26,146	(26,146)	**-**	-
Total support costs	181,030	-	**181,030**	172,181

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

7. DETAILS OF STAFF COSTS

All staff that work on behalf of the charities are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charities during the year was 13 (2020/21: 13).

Amounts paid in respect of employees directly undertaking activities on behalf of the charities were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**373,470**	392,541
National Insurance costs	**37,659**	39,095
Employer's pension contributions	**89,351**	88,627
Total emoluments of employees	**500,480**	520,263

The number of directly charged employees whose emoluments (excluding employer's NI and pension contribution) for the year were over £60,000 was £nil (2020/21: £nil).

Remuneration of Key Management Personnel

The charities considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Natural Environment who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to these charities.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £7,315 (2020/21: £4,905). The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: nil).

8. HERITAGE ASSETS

	2018 £	2019 £	2020 £	2021 £	**2022 £**
Cost					
At 1 April	-	418,248	462,673	463,341	409,394
Additions	324,094	44,425	668	89,053	165,971
Transfers	94,154	-	-	-	-
At 31 March	418,248	462,673	463,341	552,394	**575,365**
Depreciation					
At 1 April	-	-	-	-	-
Charge for the year	-	-	-	-	-
Impairment	-	-	-	143,000	-
At 31 March	-	-	-	143,000	**-**
Net book value					
At 31 March 2022	418,248	462,673	463,341	409,394	**575,365**
At 31 March 2021	-	418,248	462,673	463,341	409,394

Heritage assets represent the historic cost of restoring the blast pens on Kenley airfield.

Since 1892 the primary purpose of the charities has been the preservation of West Wickham Common and Spring Park Wood Coulsdon and other Commons for the recreation and enjoyment of the public. As set out in note 1(i), the original heritage land and buildings are not recognised in the Financial Statements. Policies for the preservation and management of West Wickham Common and Spring Park Wood Coulsdon and other Commons are contained in the West Wickham Common and Spring Park Wood Coulsdon and other Commons Conservation Plans. Records of heritage assets owned and maintained by West Wickham Common and Spring Park Wood Coulsdon and other

Commons can be obtained from the Executive Director Environment at the principal address as stated on page 34.

9. TANGIBLE FIXED ASSETS

	Infrastructure	Plant	**Total**
	£	£	**£**
Cost			
At 1 April 2021	730	8,955	9,685
At 31 March 2022	730	8,955	**9,685**
Depreciation			
At 1 April 2021	110	2,686	2,796
Charge for the year	36	896	932
Disposals	-	-	-
At 31 March 2022	146	3,582	**3,728**
Net book value			
At 31 March 2022	584	5,373	**5,957**
At 31 March 2021	620	6,269	6,889

10. INTANGIBLE FIXED ASSETS

	Website development £
Cost	
At 1 April 2021	28,700
Additions	420
At 31 March 2022	**29,120**
Depreciation	
At 1 April 2021	28,700
Charge for the year	-
At 31 March 2022	**28,700**
Net book value	
At 31 March 2022	**420**
At 31 March 2021	-

11. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Rental debtors	**514**	223
Recoverable VAT	**7,099**	9,036
Other debtors	**4,627**	108,660
Total	**12,240**	117,919

Other debtors consist of a listed payment in advance of £4,627 (2020/21: £4,601). The 2020/21 other debtors included a sundry debtor of £104,049 from the Heritage Lottery Funding (HLF) in respect of the Kenley Revival project and non-property related debtors of £10.

12. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**16,238**	1,459
Accruals	**9,836**	105,922
Deferred income	**9,208**	9,293
Sundry deposits	**31,164**	36,009
Other creditors	**4,811**	12,444
Total	**71,257**	165,127

Other creditors consist of sundry creditors. Deferred income relates to rental income received in advance for periods after the year-end.

	2022	2021
Deferred income analysis within creditors:	**£**	£
Balance at 1 April	**9,293**	9,446
Amounts released to income	**(9,293)**	(9,446)
Amounts deferred in the year	**9,208**	9,293
Balance at 31 March	**9,208**	9,293

13. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted income funds		Restricted funds	**Total at 31 March 2022**	Total at 31 March 2021
	General funds	Designated funds			
	£	£	£	£	£
Heritage assets	-	575,365	-	**575,365**	409,394
Tangible assets	-	5,957	-	**5,957**	6,889
Intangible assets	-	420	-	**420**	-
Current assets	71,997	(10,000)	2,394	**64,391**	165,127
Current liabilities	(71,257)	-	-	**(71,257)**	(165,127)
Total	740	571,742	2,394	**574,876**	416,283

At 31 March 2021	Unrestricted income funds		Restricted funds	Total at 31 March 2021	Total at 31 March 2020
	General funds	Designated funds			
	£	£	£	£	£
Heritage assets	-	409,394	-	409,394	463,341
Tangible assets	-	6,889	-	6,889	7,821
Intangible assets	-	-	-	-	10,140
Current assets	165,127	-	-	165,127	129,843
Current liabilities	(165,127)	-	-	(165,127)	(129,843)
Total	-	416,283	-	416,283	481,302

14. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Transfers	**Total as at 31 March 2022**
	£	£	£	£	**£**
Restricted funds:					
Kenley Revival Project	-	80,266	-	(80,266)	**-**
Campaign Donations	-	2,394	-	-	**2,394**
Total restricted funds	-	82,660	-	(80,266)	**2,394**
Unrestricted funds:					
General funds	-	1,125,535	(1,124,795)	-	**740**
Designated funds:					
Capital reserve funds	416,283	77,325	(2,132)	80,266	**571,742**
Total funds	416,283	1,285,520	(1,126,927)	-	**574,876**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Total as at 31 March 2021 £
Unrestricted funds:				
General funds	-	1,236,209	(1,236,209)	-
Designated funds:				
Capital reserve funds	481,302	89,053	(154,072)	416,283
Total funds	481,302	1,325,262	(1,390,281)	416,283

Purposes of restricted funds

The restricted fund for 'Campaign Donations' represents funds received from the public through donations. From March 2021 a donations page has been created on the Farthing Downs webpage, inviting and enabling the public to make on-line donations to the Farthing Downs Interpretation Improvements project. In total £2,394 was received during the year (2020/21: £nil).

Purposes of general funds

A general fund of £740 (2020/21: £nil) relates to surplus unrestricted donation income received in 2021/22.

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes in relation to the Kenley Revival project:

i. *Tangible Assets* – these are included at historic cost less depreciation on a straight-line basis to write off their costs over their estimated useful lives and less any provision for impairment. At 31 March 2022 the net book value of tangible assets relating to direct charitable purposes amounted to £5,957 (2020/21: £6,889).

ii. *Heritage Assets* – this represents the historic cost of restoring the blast pens on Kenley airfield. The net book value of heritage assets relating to direct charitable purposes at 31 March 2022 was £575,365 (2020/21: £409,394). There was an addition of £165,971 during the year relating to the Kenley Revival project. Transfers in the year related to the use of restricted Heritage Lottery Funds being capitalised as unrestricted assets. All other additions were paid for by City's Cash grants.

iii. *Intangible Assets* - comprise website design relating to the Kenley Revival project which are capitalised at cost and reflected within the financial statements at amortised historic cost. Amortisation is calculated by allocation of the balance sheet value of the asset, less any residual value, to the periods expected to benefit from its use on a straight-line basis over 3 to 7 years. At 31 March 2022 the net book value of intangible fixed assets relating to direct charitable purposes amounted to £420 (2020/21: £nil).

The Kenley Revival project aims to conserve the historic airfield structures associated with Kenley Airfield during World War II and to promote the heritage resource to make it accessible to a wider range of people.

15. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of these charities, as described on page 2. The City Corporation provides various services, the costs of which are recharged to the charities. This includes the provision of banking services, charging all transactions to the charities at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in note 5.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charities are required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charities. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	**Connected party**	**2021/22 £**	2020/21 £	**Detail of transaction**
City of London Corporation	The City of London Corporation is the Trustee for the charity	**1,046,052**	1,093,948	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		(nil)	(nil)	
		181,030	172,181	Administrative services provided for the charity
		(nil)	(nil)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAMES: West Wickham Common and Spring Park Wood Coulsdon and other Commons

Registered charity numbers: 232988 and 232989

PRINCIPAL OFFICE OF THE CHARITIES & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

Sir Thomas Gresham Charity

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 221982

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 4

FINANCIAL REVIEW 5

TRUSTEE'S RESPONSIBILITIES 7

INDEPENDENT EXAMINER'S REPORT 9

STATEMENT OF FINANCIAL ACTIVITIES 10

BALANCE SHEET 11

NOTES TO THE FINANCIAL STATEMENTS 12

REFERENCE AND ADMINISTRATION DETAILS 19

ORIGINS OF THE CHARITY

Sir Thomas Gresham (1519-1579) built his London Mansion House, Gresham House in Bishopsgate, in collegiate form. In his Will, Gresham House and the Royal Exchange were left to the City Corporation and the Worshipful Company of Mercers.

From the income of the Royal Exchange the two parties were to select professors in Divinity, Astronomy, Music, Geometry, Law, Physic and Rhetoric and pay each of the seven professors the annual sum stated in the will. The first four subjects were the responsibility of the City Corporation whilst the last three were the responsibility of the Mercers' Company.

The City Corporation was also obliged to maintain Sir Thomas' eight almshouses and pay each almsfolk a yearly allowance.

The Sir Thomas Gresham Charity continues to carry out the obligations of Sir Thomas' will in that; it continues to maintain the almshouses, ensuring that they remain occupied with routine repairs and maintenance carried out as and when required. It also continues to pay the almsfolk an annual allowance and provides the residents with a Christmas hamper each year. The four Gresham lecturers all continue to be paid an annual sum of £100.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the will of Sir Thomas Gresham Charity dated 5 July 1575. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of Sir Thomas Gresham Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

The Gresham Committee (City Side) of the City of London Corporation administers the charity on behalf of the Trustee. This committee comprises Aldermen and Common Councilmen elected to the City of London Corporation and appointed to this committee in accordance with the usual procedures of committee membership of the City of London Corporation.

The above committee is ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during the year and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are the provision of eight Almshouses known as the Gresham Almshouses; the annual payment of an allowance to the almsfolk; and the annual payment to the four Gresham college lecturers as detailed below.

The aims for the Sir Thomas Gresham Charity are:

- To ensure all the properties continue to remain occupied and that the residents are satisfied with the management of their home;
- To ensure routine repairs are completed within specified response times;
- To pay the almsfolk an allowance each year in accordance with terms of the Sir Thomas Gresham Will and to provide all residents with a hamper at Christmas;
- That all the occupants of the Almshouses continue to meet the current eligibility criteria and adhere to their letter of appointment; and
- To continue to provide a programme of public lectures at Gresham College and to pay an annual payment of £100 to each of the four Gresham College lecturers in Divinity, Astronomy, Music and Geometry.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 19.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Sir Thomas Gresham Charity's aims and objectives and in planning future activities. The purposes of the charity are the provision of eight Almshouses known as the Gresham Almshouses; the annual payment of an allowance to the almsfolk; and the annual payment to the four Gresham college lecturers.

Consequently, the Trustee considers that the Sir Thomas Gresham Charity operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 19.

ACHIEVEMENTS AND PERFORMANCE

Gresham Almshouses

During 2021/22 all targets in relation to the Gresham Almshouses were achieved except for maintaining 100 per cent occupancy levels as one of the properties became empty due to the previous resident passing away. Routine repairs and maintenance were promptly carried out, an annual allowance was paid to the almsfolk and all residents were provided with a hamper at Christmas.

The programme of refurbishment works to the Almshouses approved by the Trustee in 2018/19 were also completed during the year.

Gresham Lecturers

A programme of public lectures was provided at Gresham College throughout the year and the annual payment of £100 was paid to each of the four Gresham College lecturers in Divinity, Astronomy, Music and Geometry.

PLANS FOR FUTURE PERIODS

The objectives for 2022/23 are to meet all the objectives set out on page 3 of this report, and:

Gresham Lecturers

- To continue to arrange a programme of lectures which are made available to the public free of charge; and
- To continue to broaden further the audience demographic by use of the Internet and partnerships with businesses and other institutions.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £66,718, an overall increase of £2,120 against the previous year (2020/21: £64,598).

The key contributor to income was an amount of £66,682 (2020/21: £64,571) received from the City of London Corporation's City's Cash Fund as a contribution towards the running costs of the charity. This grant funds the excess of expenditure over income, excluding lease amortisation.

A small amount of income is received from investments held.

Expenditure

Total expenditure for the year was £68,181, all being for the category charitable activities (2020/21: £66,647).

Expenditure on charitable activities consisted of: maintenance of the Almshouses at £58,678 (2020/21: £57,532) including lease amortisation of £1,463 (2020/21: £2,049); almsfolk allowances costing £7,353 (2020/21: £8,715), independent examiners' fees of £1,750 (2020/21: £0) and Gresham Lecturers' fees of £400 (2020/21: £400).

Funds held

The charity's total funds held decreased by £1,432 or 1% to £141,173 as at 31 March 2022 (2020/21: £142,605).

Details of all funds held, including their purposes, is set out within note 8 to the financial statements.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

Investments performance

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**7.3%**	**6.2%**	5.0%	7.2%
FTSE All Share	**5.3%**	**4.7%**	3.2%	6.3%
Fund outperformance	**2.0%**	**1.5%**	1.80%	0.90%

Reserves

The charity is wholly supported by the City of London Corporation which owns and maintains the Almshouses provided by the charity out of its City's Cash Fund. This Fund is used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the Trustee to be inappropriate.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Colthurst

Chairman of Finance Committee
of The City of London Corporation

Guildhall, London

xx January 2023

Randall Anderson

Deputy Chairman of Finance
Committee of The City of London
Corporation
Guildhall, London

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF SIR THOMAS GRESHAM CHARITY

I report to the trustees on my examination of the accounts of Sir Thomas Gresham Charity for the year ended 31 March 2022 which are set out on pages 10 to 19.

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

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Tina Allison, FCCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	**Unrestricted Funds** **2021/22 £**	Unrestricted Funds 2020/21 £
Income from:			
Grant from City of London Corporation	2	**66,682**	64,571
Investments	3	**36**	27
Total income		**66,718**	64,598
Expenditure on:			
Charitable activities	4	**68,181**	66,647
Total expenditure		**68,181**	66,647
Net gains on investments	7	**31**	129
Net (expenditure) and net movement in funds		**(1,432)**	(1,920)
Reconciliation of funds:			
Total funds brought forward	9	**142,605**	144,525
Total funds carried forward	9	**141,173**	142,605

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 19 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	7	**685**	654
Total fixed assets		**685**	654
Long term assets			
Debtor - operating lease	8	**140,488**	141,951
Total net assets	8	**141,173**	142,605
The funds of the charity:			
Designated funds	9	**140,488**	141,951
Unrestricted income funds	9	**685**	654
Total funds		**141,173**	142,605

The notes on pages 12 to 19 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. Funding is provided from the City of London Corporation's City's Cash. The Trustee considers the level of grant funding received and plans activities as a result of this. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has given regard to future income levels and the liquidity of the charity over the next 12-month period from the date of these financial statements being signed, and has not identified any indication that the charity will not be able to meet liabilities, including planned liabilities, as they fall due. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirements to produce a statement of cash flows on the grounds that it is a small charity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of grants and investment income.

The City of London Corporation's City's Cash Fund meets the deficit on running expenses of the charity. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. From 2021/22 the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to the unrestricted general fund, the purpose of which is shown below:

Unrestricted general funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include income generated by assets held representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Unrestricted designated funds – these funds represent the value of the lease of the Almshouses site.

(j) Lease of Almshouses site

The City of London Almshouses (CoLA, charity number 1005857) owns the site on which the Gresham Almshouses are situated. An agreement was entered into with CoLA dated 7 December 1994 for the lease of the site for the next 123 years for the sum of £180,000 (with no further rent payable). The value of the lease is amortised on a straight-line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term debtor as set out in note 8. The Trustee considers the upfront payment to be a prepayment of rent over the life of the lease, and so considers the treatment as a debtor (as opposed to a tangible fixed asset) to be appropriate.

(k) Indemnity insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Revenue grant from City of London Corporation	**66,682**	64,571

3. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22** £	Unrestricted funds 2020/21 £
Interest	**36**	27

4. CHARITABLE EXPENDITURE

	Total 2021/22 £	Total 2020/21 £
Almshouses running costs	**58,678**	57,532
Almsfolk allowances	**7,353**	8,715
Independent Examiner's fee	**1,750**	-
Mandatory element of lecturers' fees	**400**	400
Total	**68,181**	66,647

5. INDEPENDENT EXAMINER'S REMUNERATION

Crowe LLP are the auditors of the City of London's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. The City of London Corporation charges the fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 an independent examiner's fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year (2020/21: £nil).

6. TRUSTEE EXPENSES

Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

7. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022 £	2021 £
Market value 1 April	654	525
Gain for the year	31	129
Market value 31 March	**685**	654
Cost 31 March	366	366
Units held in Charities Pool	**74**	74

The geographical spread of listed investments as at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	557	78	**635**	505	76	581
Pooled Units	40	-	**40**	47	-	47
Cash held by Fund Manager	10	-	**10**	26	-	26
Total	607	78	**685**	578	76	654

8. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted funds **Total at 31 March 2022**	Unrestricted funds Total at 31 March 2021
	£	£
Fixed assets - investments	**685**	654
Long term assets - debtor	**140,488**	141,951
Total	**141,173**	142,605

At 31 March 2021	Unrestricted funds Total at 31 March 2021	Unrestricted funds Total at 31 March 2020
	£	£
Fixed assets - investments	654	525
Long term assets - debtor	141,951	141,951
Total	142,605	142,476

Long term assets – debtor: CoLA owns the site on which the Gresham Almshouses are situated. An agreement was entered into with CoLA dated 7 December 1994 for the lease of the site for the next 123 years for the sum of £180,000. The value of the lease is amortised on a straight-line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term debtor.

9. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains £	**Total as at 31 March 2022 £**
Unrestricted funds:					
General funds	654	66,718	(66,718)	31	**685**
Designated funds	141,951	-	(1,463)	-	**140,488**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains £	Total as at 31 March 2021 £
Unrestricted funds:					
General funds	525	64,598	(64,598)	129	654
Designated funds	144,000	-	(2,049)	-	141,951

The designated fund represents the remaining value of the lease of the Almshouse site.

10. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
City of London Almshouses (CoLA)	The City of London Corporation is the Trustee for CoLA, which owns the site on which the Gresham Almshouses are situated	**1,463 (nil)**	2,049 (nil)	The charity entered into a 125 year lease of the site from CoLA as per the agreement dated 7 December 1994
City of London Corporation	The City of London Corporation is the Trustee for the charity	**66,682 income, 32,276 expenditure (nil)**	64,571 income, 34,279 expend. (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity (income of £66,682), and recharges expenditure on staff time (£30,461) and other administrative costs (£1,815)
Charities Pool	The Trustee of the Charity	**36 (nil)**	27 (nil)	Distribution from the Charities Pool

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Sir Thomas Gresham Charity

Registered charity number: 221982

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane – The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Community and Children's Services

Andrew Carter – Director of Community and Children's Services

Independent Examiner

Tina Allison, Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

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Keats House

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1053381

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 7

FINANCIAL REVIEW 14

TRUSTEE'S RESPONSIBILITIES 17

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF KEATS HOUSE .. 19

STATEMENT OF FINANCIAL ACTIVITIES 20

BALANCE SHEET (Charity Number 1053381) 21

NOTES TO THE FINANCIAL STATEMENTS 22

REFERENCE AND ADMINISTRATION DETAILS 36

ORIGINS OF THE CHARITY

In 1921, a body called the Keats Memorial House Committee appealed to the public for funds to purchase the property and archive from the then private owners to save it from being destroyed or dissipated, and in order to preserve John Keats' former home in which most of the poet's finest work was written. The public appeal was successful, and the property was acquired and vested in the then Corporation of Hampstead "as a permanent trust to be restored and equipped with relics of the poet and to be maintained in perpetuity as a Keats Museum and a live memorial to his genius, a shrine of pilgrimage for his worldwide admirers and a literary meeting place and centre". Camden Borough Council became the successors of the former Corporation of Hampstead on 1 April 1965, pursuant to the London Government Act 1963.

Keats House was registered as a charity in March 1996. The City of London Corporation acquired ownership of the land and buildings and responsibility for the administration and management of Keats House with effect from 1 January 1997.

TRUSTEE ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the Scheme of the Charity Commissioners, sealed 6 November 1996. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Keats House. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Aldermen and Members, and where relevant, external appointees. The Court annually appoints the Culture, Heritage and Libraries Committee from among its elected Aldermen and Members to govern the Charity on its behalf, taking into consideration particular expertise and knowledge. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Finance Committee –** responsible for controlling budgets, support costs and other central charges that affect the charity as a whole.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Culture, Heritage and Libraries Committee –** responsible for the activities undertaken at Keats House, approving budget allocations for the forthcoming year and acting as Trustee of the charity.
- **Keats House Consultative Committee –** responsible for guiding and advising on the activities of the charity.
- **Corporate Services Committee –** responsible for personnel and establishment matters throughout the City of London, including negotiations with the recognised trade unions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City of London Corporation are available at www.cityoflondon.gov.uk

The charity is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City of London Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. City's Cash's investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objective. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 36.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

As part of the City of London Corporation's restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department. The new structure was agreed by a total of nine Committees during December 2021 and January 2022. As a result, Keats House became part of the Environment Department from 1 April 2022. Keats House remained under the management of the Superintendent of Hampstead Heath. During the year

the former Superintendent retired with a permanent replacement taking over in January 2022.

INDUCTION AND TRAINING OF MEMBERS

The City of London Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Keats House. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective of the charity is “to preserve and maintain and restore for the education and benefit of the public the land with the buildings known as Keats House as a museum and live memorial to John Keats and as a literary meeting place and centre”.

The Charity shall first defray out of the income of the Charity the cost of maintaining the property (including the repair and insurance of any buildings thereon) and all other charges and outgoings payable in respect thereof and all the proper costs, charges and expenses of and incidental to the administration and management of the Charity.

The Trustee has due regard to the Charity Commission’s public benefit guidance when setting objectives and planning activities.

The activities of the Keats House Charity are guided by its Charitable Object as stated above and developed within the framework of the City Corporation’s Corporate Plan 2018/23 and the Open Spaces Environment Department’s Business Plan 2022/23. Our activities are also aligned with the City Corporation’s Cultural Strategy and the Hampstead Heath Management Strategy 2018 - 2028, as well as the wider aims of heritage sector organisations such as Arts Council England, the Heritage Lottery Fund and The National Archives.

The specific objectives for the year are detailed below under Plans for Future Periods.

Remuneration Policy

The charity’s senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of bonuses and recognition awards.

The above policy applies to staff within the charity’s key management personnel, as defined within note 9 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for

monitoring the delivery of the Equality and Inclusion Action Plan and progress against the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although Keats House charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as "voluntary income", including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

There is a donations page on the Keats House webpage, inviting and enabling the public to make on-line donations to either the Keats200 Legacy Programme and/or the Keats House Garden Enhancement project.

The charity has received no complaints in relation to fundraising activities in the current year (2020/21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Keats House aims and objectives and in planning future activities. The purpose of the charity is to preserve and maintain and restore for the education and benefit of the public the land with the buildings known as Keats House as a museum and live memorial to John Keats and as a literary meeting place and centre by the City of London Corporation.

Consequently, the Trustee considers that Keats House operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 36.

ACHIEVEMENTS AND PERFORMANCE

Achievement to date against the key priorities for 2021/22 were:

1. Implement Keats House Divisional Plan projects identified for delivery in 2021/22

Prior to the COVID-19 pandemic, Keats House was open to the public Wednesday to Sunday, 11am – 5pm and Keats Community Library (KCL) opened for a total of 46 hours per week, Tuesdays to Sundays. At the beginning of April 2021 however, the entire site remained closed to the public due to the third National Lockdown, which had been in place since January 2021.

With the phased lifting of restrictions under the UK Government's COVID-19 Response – Spring 2021 (Roadmap), Keats Community Library reopened first, initially for 10 hours per week on Tuesdays and Saturdays from Tuesday 13 April 2021. Keats House and garden reopened from Thursday 3 June 2021, initially on two days per week rising to three days per week from mid-July, when KCL also added an additional day of operation.

The key measures previously put in place to ensure that the entire site at 10 Keats Grove was awarded Visit England's 'We're Good to Go' quality assurance mark and remained COVID-19 Secure were: a separation of services operating at the property, with Keats House and Keats Community Library opening on discrete days; use of the garden and external toilets being restricted to Keats House ticket holders only; installation of social distancing signage and hand sanitiser stations; a requirement to book and pay for tickets to Keats House in advance; strict limits on the numbers visiting; enhanced cleaning regimes; and, in the case of Keats House, the formation of workforce 'bubbles'.

While these same measures allowed the site to reopen in phases dictated by the Spring 2021 Roadmap, with the further lifting of most legal restrictions from Monday 19 July, some of these measures, such as social distancing signage, were physically removed and our messaging to visitors changed from enforcement to encouragement, especially with regard to face coverings. Similarly, the requirement to pre-book was removed although the facility to do so was retained, as it provides a useful way for us to directly communicate the days and times at which people can visit.

The Keats200 programme celebrating the life, works and legacy of Romantic poet John Keats, which launched on 1 December 2018, continued in 2021/22, despite the ongoing impact of COVID-19 restrictions. Exhibitions and events celebrating specific events in Keats life were delivered online through the City Corporation's #OurCityTogether initiative, and projects supporting the wider outcomes of the programme were prioritised and progressed where possible.

The reopening of the house was publicised as an opportunity to see Artist in Residence Elaine Duigenan's beautiful and moving floral tributes to Keats, which were installed at the house during lockdown and on display there until January 2022.

Unfortunately, much of our partnership work was inevitably curtailed by COVID-19 and it was again not possible to hold Keats Foundation's annual conference in May 2021. We were however delighted to work with them and the Remembrancer's Office to deliver a Keats200 celebratory event, including a keynote speech by Professor Nicholas Roe, Chair of the Keats Foundation and Keats's latest biographer, on 1 November 2021.

Our social media channels have helped us remain connected to our audiences, engaging them with the Keats200 bicentenary and publicising online and in person events. As at March 2022, Keats House had over 6,770 followers on Twitter (+4% on April 2021), more than 4,000 on Facebook (-2%), and over 2,800 on Instagram (+20%). All officers have contributed to our online and social media outputs throughout lockdowns and reopening, working closely with, and benefitting from the support of, the City Corporation's Cultural & Visitor Development team.

The City Corporation's #OurCityTogether platform, which was initiated within weeks of the first lockdown in March 2020, continued to provide an important channel through which to publish our cultural content and reach new audiences online until it was taken offline in February 2022. Keats House contributed a number of new articles in 2021/22 focussing on the events and reaction following Keats's death and, more recently, the lead up to #Shelley200. Collectively the 55 articles researched, written and published by the Keats House team received nearly 19,000 page views and also generated a large amount of social media activity and engagement in the form of likes, shares and re-posts.

Keats House made its full educational offer available online, and school sessions resumed in the garden from June and in the house itself from autumn 2021. Numbers were inevitably lower than previous years, but we were proud to have delivered 28 sessions to 24 different schools, engaging 623 students and 82 teachers / assistants with Keats's life story, poetry and creative writing. Six of these sessions were part of our continued participation in the Young City Poets programme, along with other City Corporation cultural venues.

Our creative writing summer school again took place online at the start of July, featuring workshops by Keats House poet Laila Sumpton and novelist Sara Taylor, on the theme of 'Escape'. This was our most successful summer school so far in terms of numbers, the online format meaning that we could include students from schools outside London. 70 students from eight different secondary schools took part, including schools in Hampshire and Buckinghamshire. Over the three days of the course we achieved a total of 181 student and 12 accompanying adult engagements, with a mixture of students joining individually from home, individually within school groups and in teacher-led whole-class groups (from two schools). Despite the technical challenges presented by this mixed format, the response to the summer school by students and teachers in the accompanying Chat and subsequent emails was engaged and overwhelmingly positive. Students produced high-quality creative work on

all three days, which is being collected for an online anthology to be made available to all participating schools.

Our part-time Interpretation Officer - Learning, worked with Culture Mile Learning colleagues to plan and deliver an 'Inspiration' session involving both art and creative writing, as part of an after-school club scheme across a range of City Corporation venues and green spaces. We also collaborated with Keats200 Poet in Residence Laila Sumption, to create three new school sessions on the theme of Keats and Colonialism, which combine an introduction to Keats's life and times with an exploration of colonialist themes linked to objects in the house, as stimulus for students' creative writing.

Following the successful reopening of Keats House, and especially since the lifting of legal restrictions from 19 July, our events programme resumed, both online and with live events at Keats House and elsewhere. Virtual events included two editions of our 'The Feast of the Poets' cultural discussions, attended by a total of 95 people from over 12 countries across Europe, North America and Asia. We were delighted to be asked to repeat our 'Keats Meets Coleridge' event for Highgate Festival 2021, which was enjoyed by 26 people and more as we progressed across the Heath 'talking of many things'. Two 'Late Night Keats' events were programmed in October and December and the launch of a poetry anthology book launch edited by our Poet in Residence was well attended. We were also pleased to welcome 12 individuals from the Afghan refugee families resident in the City to Keats House, for a Nowruz Festival celebration on Sunday 20 March 2022. A total of 420 people attended 15 programmed events in 2021/22. In addition, two online talks were delivered to local community groups, engaging a further 92 people with the Keats200 programme.

Keats House officers also supported the delivery of exhibitions and events for Heath150, celebrating the 150th anniversary of the passing of the Hampstead Heath Act 1871. We also facilitated a number of events for Hampstead Summer Festival by working with our local partners Keats Community Library and Hampstead School of Art to ensure these much-loved and, in terms of fundraising for these two local charities, vital events could go ahead in 2021. The Keats House garden hosted Hampstead Art Fair, two performances of 'Twelfth Night' by Drama Impact, a performance of 'A Country Diary of An Edwardian Lady' and a family garden party. In total over 1,200 people enjoyed attending these events, at a time when many had been denied access to culture in their local communities.

Our volunteers have continued their support for Keats House, initially by providing outdoor introductions for our visitors, then, when allowed, tours of the interior of the house, adding value to our visitor's experience. Engagement with our volunteer workforce was maintained through regular mailings and requesting support for specific projects, including the phased resumption of our live events programme. A virtual engagement meeting was held with our paid and voluntary workforce in May 2021, and a Christmas celebratory get-together

was followed by a hybrid event in January 2022, to re-engage individuals with the aims and activities of the Charity. Our Poetry Ambassadors have also revived our monthly Afternoon Poems readings, delivering six events between September 2021 and March 2022. In total 14 volunteers have provided over 200 hours support for Keats House in 2021/22 and, as always, we would like to acknowledge and thank all our volunteers for their continued support for the Charity and its activities, especially in light of the impact of the pandemic on their own lives and capacity.

Keats House continue to work with Roehampton University to support a doctoral research student to work with the collections held at Keats House and London Metropolitan Archives. This programme, which commenced in October 2020, is funded through the Techne Doctoral Training Programme through to 2024 and will result in new insights and interpretations of our collection, in particular the Fanny Brawne to Fanny Keats letters, which are being digitised and shared online on the 200th anniversary of their writing.

At the end of August, we worked with colleagues from London Metropolitan Archives (LMA) to conserve, digitise and display items from the Keats House collections. Included in the displays for autumn / winter 2021, were a letter from Shelley to his cousin and fellow poet Medwin, which had not been displayed in over 25 years, along with the first English edition of ‘Adonais: An Elegy on the Death of John Keats’, which Shelley wrote in the aftermath of Keats’s death. As well as forming part of the culmination of the Keats200 bicentenary programme, these form part of our contribution to Shelley200 and the wider Romanticism bicentenaries which will be one our priorities for the next few years, as we move into the legacy phase of Keats200. In February 2022, the Fanny Brawne to Fanny Keats letters and miscellaneous items related to Joseph Severn and Keats’s grave in Rome were displayed at the house in time for the spring visitor season.

We also collaborated with LMA to display Keats’s copy of Shakespeare’s Poems, in which he copied out his own poem ‘Bright Star’ while on route to Italy. This item is one of the treasures of the Keats House collections which captures the imagination of Keatsians all over the world and we were delighted to be able to display this in the Heritage Gallery at Guildhall Art Gallery for the culmination of the Keats200 bicentenary programme.

As previously reported, officers produced the Keats200 exhibition for publication online on ourcitytogether.london and Google Arts & Culture in time for the bicentenary of Keats’s death in February 2021. This same content was then used to develop an outdoor exhibition to support the City Corporation’s Outdoor Art Programme for 2021: ‘A Thing of Beauty’, which toured three London venues in autumn 2021: Hampstead Heath during September, Aldgate Square in October and Guildhall Yard for the first two weeks of November. The tour was accompanied by an events programme at all venues to coincide with Open House London Festival 2021, Keats birthday celebrations at the end of

October, and the Keats200 lecture and celebratory event at The Guildhall in partnership with the Keats Foundation.

Between 20 May 2021 and 31 March 2022, Keats House opened to the public on 114 days, with a total of 2,575 recorded visits to the house during that period. For comparison, 12,451 people visited Keats House in 2018/19 – the last full business year before the pandemic - so the number of people visiting Keats House is down by 80% on pre-pandemic levels, with a fall in income from admissions and shop sales in particular as a consequence.

The shop also reopened from May with a new ticketing, sales and contactless payment system. Income from shop sales remains below the annual income target of £15,000, with sales of only £6,216.

The private hire offer also restarted, with a small number of hires to community groups, organisations and individuals. However, it has not yet been possible to achieve the levels of income previously derived from hires, events or visiting school groups. In addition, the licence for Keats Community Library (KCL) to occupy Ten Keats Grove, which contributes towards our income, expired on 19 April 2020 and is currently in the hands of the City Surveyors Department to renegotiate with the current licensees. In the meantime, KCL continue to operate from the site on a 'pay as you go' basis.

As a condition of the premises licence for 10 Keats Grove, Keats House Consultative Committee receive a twice-yearly report of licensable events held at the House, to ensure that the operating schedule and conditions are being upheld. To report that no activities have taken place under Keats House's premises licence in the period 2021/22. As referred to above, four events were delivered from the premises for Hampstead Summer Festival which involved the sale of alcohol and other licensable activities under TENs obtained by the organisers. The Premises Licence for 10 Keats Grove was renewed for the period to 11 September 2022 at a cost of £180.00.

2. Deliver maintenance and access improvement projects at Keats House

In 2018/19 plans were progressed to put in place a sustainable cyclical works programme to preserve and maintain Keats House (Grade I listed) and Ten Keats Grove (Grade II listed). These arose from the overall condition survey of Keats House and Ten Keats Grove conducted in 2017/18. As a result a number of projects have been completed and prioritised to ensure Keats House and Ten Keats Grove can continue to be accessed and enjoyed by future generations.

The London Borough of Camden's Planning Department determined in favour of the proposals as submitted to improve physical access to the premises through new pathways, subtle, ground-level lighting to pathways for safety reasons and the refurbishment of the external toilets. These works are to be funded by the London Borough of Camden's Community Infrastructure Levy

grants programme and are currently being progressed with the City Surveyor's Department. The sub-project to refurbish the external toilets at Keats House was completed in early 2021, with funding from the City Corporation according to the original project agreement.

Planning and listed building consent were also granted for the proposed new visitor entrance, the funding for which had been identified from the Charitable Reserves as a Keats200 legacy project. Proposals to replace the aged, wooden boundary fence to the front of the property are currently being refined, following initial feedback from local stakeholders. Once finalised, these will be forwarded to Members prior to submission to the London Borough of Camden to obtain the required planning and listed building consents.

The gardens, which form an essential and much-loved aspect of the heritage site, continue to be maintained by the Golders Hill Park team and this work was continued throughout the periods of lockdown and subsequent reopening. Hampstead Heath officers also supervise the work of a dedicated team of 'Heath Hands' volunteers who have continued to be active when allowed by COVID-19 restrictions.

3. Develop a three-year Management Plan for Keats House, to ensure the future sustainability of the Keats House Charity and its operating model

While a draft Activities Plan for 2022/23 has been produced, the development of a three-year forward plan for Keats House, which is required as part of the City Corporation's documentation framework and for our Museum Accreditation return, has been severely delayed by the COVID-19 pandemic. The Divisional Plan, which is for a three-year rolling period, has been updated for 2022/23 to inform the plans, priorities and activities for future periods. The Principal Curator proposes that the development of a three-year Management Plan for Keats House should follow the timeline of the Target Operating Model, before being submitted to Members for consultation and approval, before being presented in any future Museum Accreditation return

As a result of the above activities, the Trustee has had due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

KPIs for 2021/22

1. To increase visitor numbers to Keats House. 2021/22 outturn: 2,575. (+497% based on 2020/21 outturn: 518).
2. Improve Visit England Annual Quality Attraction Assessment Scheme score at Keats House. Not available due to pandemic. (2019/20 score: 82%).
3. Achieve budgeted income and expenditure targets for Keats House Charity. Despite reduced income levels during the year, planned savings resulted in spending against expenditure budgets of 85% as at end 2021/22; income achieved in 2021/22 on admissions, events and private hires / licence agreements totalled only 39% of the target. Overall, net expenditure at Keats House for the 2021/22 year was 99% of the final budget. (Total net expenditure

/ income for 2020/21: Largely due to loss of income, Keats House year-end budget position exceeded the original budget by 11%, but a £71,000 budget uplift meant final outturn was 82% spend against revised budget).

PLANS FOR FUTURE PERIODS

The overarching priorities which will guide all of our objectives and activities from April 2022 are:

- Implement projects and activities identified in the Keats House Divisional Plan and Activities Plan for delivery in 2022/23.
- Deliver maintenance and access improvement projects at Keats House
- Develop a three-year Management Plan for Keats House, to ensure the future sustainability of the Keats House Charity and its operating model.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 22.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £350,117, an overall decrease of £34,675 against the previous year (£384,791). The principle source of income was from City of London Corporation's City's Cash fund (see below).

Income from Charitable Activities comprised £44,016 from fees charged (2020/21: £7,012), including £5,267 from admission fees (2020/21: £1,508), £32,533 from charges for services (2020/21: £5,504) and sales of £6,216 (2020/21: £nil). The rise in income is due to the partial reopening of Keats House during the year as Government restrictions have slowly ben lifted.

An amount of £291,698 (2020/21: £348,190) was received from the City of London Corporation's City's Cash as a contribution towards the running costs of the charity. The decrease in contribution was mainly due to Keats House reducing their expenditure during the year in order to offset income reductions (see expenditure below).

Expenditure

Total expenditure for the year was £362,693 (2020/21: £377,657), with charitable activities expenditure in the year totalling £360,581 (2020/21: £382,996). The decrease in expenditure is largely to due to a combination of holding vacancies and reduced spending in relation to the Keats 200 programme during the year. Expenditure on raising funds for the year was £2,112 (2020/21: negative income of £5,339). The reason for the variance the accounts is due to the partial reopening of the gift shop during the year, whilst it was closed for the whole of the previous year, meaning that there were no sales and only minor purchases. The prior year credit arose because owing to government restrictions, a stock count was not possible for the 2019/20 financial year and therefore the previous year's closing stock was based on an estimate. A full stock count was undertaken during 2020/21, however, when the trading account was calculated, this led to a credit Cost of Sales figure last year.

Funds held

The charity's total funds held decreased by £12,577 to £319,660 as at 31 March 2022 (2020/21: £332,237).

The charity's designated funds consist of unrestricted income funds which the Trustee has chosen to set aside for specific purposes. Such designations are not legally binding, and the Trustee can decide to "undesignate" these funds at any time. Designations as at 31 March 2022 totalled £58,339 (2020/21: £63,201). These represent designated funds within the unrestricted income fund which represents the net book value of fixed assets held.

A restricted fund of £103,544 (2020/21: £103,544) was held at year-end. This relates to the Keats Love Letter (£100,000), the remainder of a Young Roots grant (£2,121)

which is being held until the Charity is instructed whether it needs to repay this unspent balance and a Watercolour painting (£1,423).

The charity's free reserves total £157,777 (2020/21: £165,492), which are held both to meet the deficit on running expenses on a year by year basis and to fund any major activities the charity is undertaking. During 2021/22 the Charity used £10,968 from reserves to help fund the Keats 200 programme, (2020/21: £37,903).

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Reserves

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve Keats House out of its City's Cash Funds. These Funds are used to meet the deficit on running expenses on a year by year basis. The charity therefore does not need to maintain free reserves at a stated level, being either a fixed amount or a stated number of months, to ensure continued delivery of its objectives. For good governance purposes, the trustee considers holding a minimum of £20,000 as free reserves to be suitable in light of the operating model in place.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Insufficient maintenance	Although Cyclical Works Programme budgets have reduced across the department, the risk remains at the same level as 2020/21 as a historic building requires active maintenance and monitoring to prevent further issues.
Health and Safety of staff, volunteers, visitors and contractors	Understanding of Health and Safety has been strengthened through regular item for discussion at team meetings and adoption of high level and bespoke risk assessments produced for property and specific activities / events. A representative attends Divisional and Departmental Health and Safety meetings. Fire risk audits for Keats House and Ten Keats Grove have been completed and are being acted upon in liaison with City Surveyors to the required deadlines.

Risk	Actions to manage risks
Theft or damage to Keats House or its contents	Current risk score remains at Green. Keats House is now reopened to the public. Staff are attending site regularly. Despite delay from 2021/22 to 2022/23 for replacement of security systems, intruder alarm and CCTV is still in place and functional. We accept the current level of risk.
Loss of staff expertise	There has been some change to the core staff team at Keats House, with one Interpretation Officer role remaining vacant, pending the outcome of the TOM. A module of the same Collections Management System which is in use at Guildhall Art Gallery is in the process of being procured for Keats House, to maximise efficiency, including staff training and knowledge transfer. This is to be procured and initiated during 2022/23 at which point the risk will move to green. The target date has been extended to reflect the timeline for this project.
Financial Sustainability	There was a reduction in the Keats House Charity's Reserves in 2021/22 and this may also be the case, although to a lesser extent in 2022/23 and possibly 2023/24. Measures taken to reduce expenditure and rebuild income streams in progress, but these will need to be monitored and, in the medium to long term, diversified to ensure the future financial sustainability of the Keats House Charity.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy

Chairman of Finance Committee of
The City of London Corporation

Randall Keith Anderson, Deputy

Deputy Chairman of Finance
Committee of The City of London
Corporation

Guildhall, London

xx January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF KEATS HOUSE

I report to the trustees on my examination of the accounts of Keats House for the year ended 31 March 2022 which are set out on pages 20 to 36.

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

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

Tina Allison, FCCA

Crowe U.K LLP,
55 Ludgate Hill,
London,
EC4M 7JW

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Voluntary activities	2	482	-	**482**	226
Charitable activities	3	44,016	-	**44,016**	7,012
Grant from City of London Corporation	4	291,698	-	**291,698**	348,190
Investments	5	212	-	**212**	64
Other	6	13,709	-	**13,709**	29,299
Total income		350,117	-	**350,117**	384,791
Expenditure on:					
Raising funds	7	2,112	-	**2,112**	(5,339)
Charitable activities:					
Preservation, maintenance and restoration of Keats House	7	360,581	-	**360,581**	382,996
Total expenditure		362,693	-	**362,693**	377,657
Net unrealised (loss)/gains on investments		(1)	-	**(1)**	7
Net (expenditure)/(income)		(12,577)	-	**(12,577)**	7,141
Transfers between funds		-	-	**-**	-
Net movement in funds	15	(12,577)	-	**(12,577)**	7,141
Reconciliation of funds:					
Total funds brought forward	15	228,693	103,544	**332,237**	325,096
Total funds carried forward	15	216,116	103,544	**319,660**	332,237

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 22 to 36 form part of these financial statements.

BALANCE SHEET (Charity Number 1053381)

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Heritage assets	10	**101,423**	101,423
Tangible assets	11	**58,339**	63,201
Total fixed assets		**159,762**	164,624
Current assets			
Stock		**10,349**	10,922
Debtors	12	**7,792**	22,172
Cash at bank and in hand		**151,664**	146,269
Total current assets		**169,806**	179,363
Creditors: Amounts falling due within one year	13	**(9,908)**	(11,750)
Net current assets/(liabilities)		**159,898**	167,613
Total assets less current liabilities		**319,660**	332,237
The funds of the charity:			
Restricted income funds	15	**103,544**	103,544
Unrestricted income funds	15	**216,116**	228,693
Total funds		**319,660**	332,237

The notes on pages 22 to 36 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

xx January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity's governing documents place an obligation on the City of London Corporation to preserve Keats House for the benefit of the public. Funding is provided from the City of London Corporation's City's Cash. On an annual basis, a medium-term financial forecast is prepared for City's Cash, covering the next 5 years from the period covered by these financial statements. The latest forecast anticipates that adequate funds will be available in the next five years to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the ongoing financial position, including future income levels and the liquidity of the charity in light of the ongoing impact of Covid-19 over the next 12-month period from the date of signing these financial statements. The charity is still not reopening 5 days/30 hours per week, although this has resulted in some cost savings, it may be that the charity's reserves would need to be used to cover any shortfall, whilst still adhering to the Reserves Policy. For these reasons, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised

and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

In preparing the financial statements, management has made the following key judgements: useful economic life of fixed assets and the recovery of debts.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2022 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, charges for use of facilities, admissions fees, membership fees, grants, (including government grants), interest, sales, filming fees and rental income.

The City of London Corporation's City's Cash meets the deficit on running expenses of the charity and also provides funding for certain capital works. This income is considered due each year end once the deficit on running expenses and capital works funding has been confirmed , and is recognised in the SOFA at this point.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management of functions inherent in the activities undertaken. These include the costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.

Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in note 8.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities, and these costs are included within support costs.

(g) Pension costs

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2012, using the projected unit method. The actuary will carry out the next assessment of the scheme as at 31 March 2022, which will set contributions for the period from 1 April 2022 to 31 March 2026. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 have been set at 21% (2019/20: 21%).

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Fixed Assets

Heritage Land and Associated Buildings

Land and the original associated buildings are considered to be heritage assets. In respect of the original land and buildings, cost or valuation amounts are not included in these financial statements as reliable cost information is not available and a significant cost would be involved in the reconstruction of past accounting records, or in the valuation, which would be onerous compared to the benefit to the users of these accounts.

In accordance with the charity's scheme two buildings and the land were transferred at no cost to the ownership of the Trust on 1 January 1997. The buildings comprise the Grade 1 listed Keats House itself valued on an insurance basis at £2,246,697 (2020/21 £2,051,778) and a 1930s building called the Heath Library valued, for insurance purposes, at £1,404,658 (2020/21 £1,282,793). This latter building is now used by cultural and community groups, primarily the Keats Community Library Phoenix Group, with one room set aside to be used in compliance with the objective of the Keats House Charity.

Keats House holds a collection of Keats related materials the majority of which are not recognised in the Balance Sheet as cost information is not readily available and the Trustee believes the benefits of obtaining valuations for these items would not justify the costs. The exceptions to this are the Keats Love letter which is valued at its cost of £100,000 and the watercolour painting which is valued at its cost of £1,423, within the balance sheet. The letter was purchased at auction in March 2011 and has not been revalued since and the watercolour painting was purchased in 2020 and has not been revalued since, as the market for both remains constant and therefore no change in conditions that might indicate a change in value has been identified. A schedule of individual items is not kept, but both the letter and the watercolour painting are stored at London Metropolitan Archives as part of the overall Keats Collection. The total insurance value for the whole Collection is £1,400,000.

Additions to the original land and capital expenditure on buildings and other assets are included as fixed assets at historic cost, less provision for depreciation and any impairment, where this cost can be reliably measured.

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

	Years
Improvements and refurbishments to buildings	up to 30

(j) Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the charity's operations.

(k) Cash

Cash and cash equivalents include cash in hand, overdrafts (if any) and short-term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less.

(l) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Restricted funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred and a Heritage Asset.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include income generated by assets representing unrestricted funds. Specifically, this represents the surplus of

income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated Funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(m) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds	**Total 2021/22**	Unrestricted funds	Total 2020/21
	£	**£**	£	£
Donations and legacies	482	**482**	226	226

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Charges for services	32,533	5,504
Sales	6,216	-
Admission charges	5,267	1,508
Total	44,016	7,012

Charges for services are split as follows:

Charges for services	**2021/22**	2020/21
	£	£
Keats community library	16,017	3,141
Private hire of Keats House	5,772	47
Public events	10,363	1,901
Filming	-	53
Commission/Royalties	346	362
Membership fees	35	-
Total	**32,533**	5,504

4. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Revenue and capital grants from City of London Corporation	**291,698**	348,190

5. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Interest	**212**	64

6. OTHER INCOME

	Unrestricted funds **2021/22**	Unrestricted funds 2020/21
	£	£
Other income	**13,709**	29,299

Income for the year included:

Donations – being amounts received from the public at the two collection boxes in Keats House and other unsolicited sums received.

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City's Cash to meet the deficit on running expenses of the charity, alongside funding for capital purchases.

Charitable activities – being amounts generated from the sales of leaflets, books, maps cards and other publications relating to Keats House; charges made to the public for the use of facilities, admissions and services and from the rental of the Keats Community Library.

Other income - included in Other Income on the Statement of Financial Activities is a government grant received from the Coronavirus Job Retention Scheme of £13,709 (2020/21: £29,299), There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance have been received in the year.

7. EXPENDITURE

Expenditure on raising funds

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Cost of goods sold	2,112	-	**2,112**	(5,339)	-	(5,339)

The reason for the variance and credit balance in the accounts is due to the partial reopening of the gift shop during the year, whilst it was closed for the whole of the previous year, meaning that there were no sales and only minor purchases. Owing to government restrictions, a stock count was not possible for the 2019/20 financial year and therefore the previous years closing stock was based on an estimate. A full stock count was undertaken during 2020/21, however, when the trading account was calculated, this led to a credit Cost of Sales figure last year.

Expenditure on charitable activities

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Preservation, maintenance and restoration of Keats House	279,486	81,095	**360,581**	302,539	80,457	382,996

Charitable activity

Expenditure on charitable activities includes labour, premises costs, equipment, materials and other supplies and services incurred in the running of Keats House.

8. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Department:				
Chamberlain	17,058	-	**17,058**	26,129
Town Clerk	-	12,129	**12,129**	10,069
City Surveyor	9,372	-	**9,372**	5,429
Open Spaces directorate	14,126	-	**14,126**	10,451
Other governance & support costs	10,670	-	**10,670**	6,237
Digital Services	17,740	-	**17,740**	22,142
Sub-total	68,966	12,129	**81,095**	80,457
Reallocation of governance costs	12,129	(12,129)	**-**	-
Total support costs	81,095	-	**81,095**	80,457

All support costs are undertaken from unrestricted funds. Governance costs are allocated based on a proportion of officer time spent on the administration of Trustee and Committee related meetings.

Auditor's remuneration and fees for other services

Crowe LLP are the auditors of the City of London's City's Cash Fund and all of the different charities of which it is Trustee. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 a £1,750 fee for the independent examination of this charity's financial statements was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

9. DETAILS OF STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 3.7 (2020/21: 4.1).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22	2020/21
	£	£
Salaries and wages	**156,490**	174,961
National Insurance costs	**15,182**	15,611
Employer's pension contributions	**31,522**	35,686
Total emoluments of employees	**203,194**	226,258

The number of directly charged employees whose emoluments (excluding employer's pension contribution) for the year were over £60,000 was nil (2020/21: nil).

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, and the Director of Open Spaces who manages the seven open spaces funded by the City of London Corporation. A proportion of the Directors' employment benefits are allocated to this charity.

Support is also provided by other chief officers and their departments from across the City of London Corporation, including the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor and City Surveyor.

The amount of employee benefits received by key management personnel totalled £nil (2020/21: £nil). No members received any remuneration, with directly incurred expenses reimbursed, if claimed. Expenses totalling £nil were claimed in 2021/22 (2020/21: £nil).

10. HERITAGE ASSETS

	2018 £	2019 £	2020 £	2021 £	**2022 £**
Cost					
At 1 April	100,000	100,000	100,000	100,000	101,423
Additions	-	-	-	1,423	-
At 31 March	100,000	100,000	100,000	101,423	**101,423**
Net book value					
At 31 March	100,000	100,000	100,000	101,423	**101,423**

Since 1996 the primary purpose of the charity has been 'to preserve and maintain and restore for the education and benefit of the public the land with the buildings known as Keats House as a museum and live memorial to John Keats and as a literary meeting place and centre'. As set out in Note 1(i), the original heritage land and buildings are not recognised in the Financial Statements, with the exception to this being the Keats Love letter which is valued at £100,000. Policies for the preservation and management of Keats House were to be contained in the Keats House Management Plan 2021/22, however, although the Activities Plan for 2021/22 has been produced, the development of a three-year forward plan for Keats House, which is required as part of the City Corporation's documentation framework and for our Museum Accreditation return, has been severely delayed by the COVID-19 pandemic. The Divisional Plan, which is for a three-year rolling period, has been updated for 2022/23 to inform the plans, priorities and activities for future periods. Records of heritage assets owned and maintained by Keats House can be obtained from the Executive Director of Environment at the principal address as stated on page 36.

11. TANGIBLE FIXED ASSETS

	Plant & equipment
	£
Cost	
At 1 April 2021	72,924
At 31 March 2022	72,924
Depreciation	
At 1 April 2021	9,723
Charge for the year	4,862
At 31 March 2022	14,585
Net book value	
At 31 March 2022	**58,339**
At 31 March 2021	63,201

12. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Prepayments and accrued income	**4,184**	3,953
Recoverable VAT	**495**	3,330
Sundry debtors	**386**	13,947
Other debtors	**2,727**	942
Total	**7,792**	22,172

The reason for the large reduction in debtors is largely due to a debtor for furlough payments relating to the period January – March 2021 accrued for in the previous year. This Government scheme is no longer running and there were no outstanding amounts accrued at year end 31 March 2022.

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Sundry creditors	**4,399**	2,466
Other creditors	**5,509**	9,284
Total	**9,908**	11,750

14. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted income funds		Restricted funds	**Total at 31 March 2022**	Total at 31 March 2021
	General funds	Designated funds			
	£	£	£	£	£
Heritage assets	-	-	101,423	101,423	101,423
Tangible assets	-	58,339	-	58,339	63,201
Current assets	167,685	-	2,121	169,806	179,363
Current liabilities	(9,908)	-	-	(9,908)	(11,750)
Total	**157,777**	**58,339**	**103,544**	**319,660**	332,237

At 31 March 2021	Unrestricted income funds		Restricted funds	**Total at 31 March 2021**	Total at 31 March 2020
	General funds	Designated funds			
	£	£	£	£	£
Heritage assets	-	-	101,423	101,423	100,000
Tangible assets	-	63,201	-	63,201	68,063
Current assets	177,242	-	2,121	179,363	213,328
Current liabilities	(11,750)	-	-	(11,750)	(56,295)
Total	**165,492**	**63,201**	**103,544**	**332,237**	325,096

15. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Unrealised gains & (losses)	Transfers	**Total as at 31 March 2022**
	£	£	£	£	£	**£**
Restricted funds:						
Heritage Assets	101,423	-	-	-	-	**101,423**
Grant Funding	2,121	-	-	-	-	**2,121**
Total restricted funds	103,544	-	-	-	-	**103,544**
General funds:	165,492	350,117	(357,831)	(1)	-	**157,777**
Total general funds	165,492	350,117	(357,831)	(1)	-	**157,777**
Designated funds:						
Tangible fixed assets	63,201	-	(4,862)	-	-	**58,339**
Total designated funds	63,201	-	(4,862)	-	-	**58,339**
Total unrestricted income funds	228,693	350,117	(362,693)	(1)	-	**216,116**
Total funds	**332,237**	**350,117**	**(362,693)**	**(1)**	**-**	**319,660**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Unrealised gains & (losses) £	Transfers £	**Total as at 31 March 2021 £**
Restricted funds:						
Heritage Assets	100,000	-	-	-	1,423	**101,423**
Grant Funding	2,121	-	-	-	-	**2,121**
Total restricted funds	102,121	-	-	-	1,423	**103,544**
General funds:	154,912	384,791	(372,795)	7	(1,423)	**165,492**
Total general funds	154,912	384,791	(372,795)	7	(1,423)	**165,492**
Designated funds:						
Tangible fixed assets	68,063	-	(4,862)	-	-	**63,201**
Total designated funds	68,063	-	(4,862)	-	-	**63,201**
Total unrestricted income funds	222,975	384,791	(377,657)	7	(1,423)	**228,693**
Total funds	**325,096**	**384,791**	**(377,657)**	**7**	**-**	**332,237**

Purposes of restricted funds

i. *Heritage Asset* - The purpose of this fund is to safeguard both the Keats Love Letter and the Watercolour painting, allowing the public access to these cultural assets. The transfer to restricted funds in the year arose from the heritage asset addition of the watercolour painting.
ii. *Grant funding* – Young Roots funds remaining from a grant, being held in a restricted fund until the Charity is instructed whether it needs to repay this unspent balance.

Purposes of designated funds

Designated funds have been set aside by the Trustee for the following purposes:

i. *Fixed Assets* – Plant and Equipment are included at historic cost less provision for depreciation and any impairment. The net book value of fixed assets at 31 March 2022 was £58,339 and is represented by a designated fund (2019/20: £63,201).

16. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in Note 7.

The charity is consolidated within the accounts of City's Cash, a fund of the City of London Corporation (the City Corporation, the Corporate Trustee of the charity), by virtue of the deemed control arising from the provision of the shortfall between the

charity's income and expenditure by City's Cash, whose place of business is Guildhall, London EC2P 2EJ. The principal purpose of City's Cash is to manage its investments in properties, stocks and shares to provide returns which allows the City Corporation to use the income for the provision of services that are of importance to the City and Greater London as well as nationally and internationally, and to maintain the asset base so that income will be available to fund services for the benefit of future generations. The financial statements of City's Cash can be obtained from the address provided above.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	**291,698** **(nil)**	348,190 (nil)	The City of London Corporation's City's Cash meets the deficit on running expenses of the charity
		79,344 **(nil)**	80,457 (nil)	Administrative services provided for the charity

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Keats House

Registered charity number: 1053381

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

Independent Examiner

Tina Allison, Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

Hampstead Heath Trust Fund

Annual Report and Consolidated Financial Statements for the year ended 31 March 2022

Charity registration number 803392-1

CONTENTS

Origins of the Charity 3

Structure and Governance 4

Achievements and Performance 7

Financial Review 8

Trustee's Responsibilities 11

Independent Auditor's Report 13

Statement of Financial Activities 16

Balance Sheet 17

Notes to the Financial Statements 18

Reference and Administration Details 27

ORIGINS OF THE CHARITY

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time, the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund. The purpose of the charity is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the Hampstead Heath Act 1871, the London Government Reorganisation (Hampstead Heath) Order 1989 and a Declaration of Trust dated 31 March 1989. The Hampstead Heath Trust Fund is a subsidiary of Hampstead Heath (charity number 803392). The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the trustee of Hampstead Heath Trust Fund. The City Corporation is trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Trustee has delegated the responsibility of management of this charity to its Finance Committee and delegated responsibility in respect of the Trust's investments to its Financial Investment Board (a sub-committee of the Trustee's Investment Committee).

Both Finance Committee and the Financial Investment Board are ultimately responsible to the Court of Common Council of the City of London. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The charity is a subsidiary of Hampstead Heath (charity no. 803392), which in turn is consolidated within City's Cash as the City of London Corporation exercises operational control over their activities. City's Cash is a fund of the City Corporation that can be traced back to the 15th century and has been built up from a combination of properties, land, bequests and transfers under statute since that time. Investments in properties, stocks and shares are managed to provide a total return that:

- Allows City's Cash to use the income for the provision of services that are of importance nationally and internationally as well as to the City and Greater London;
- Maintains the asset base so that income will be available to fund services for the benefit of future generations.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objective. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximises impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 27.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of Hampstead Heath Trust Fund. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

By virtue of the London Government Reorganisation (Hampstead Heath) Order 1989, the City of London Corporation acquired responsibility for the management of Hampstead Heath with effect from 31 March 1989. At the same time the London Residuary Body transferred £15 million to the City of London Corporation for the establishment of the Hampstead Heath Trust Fund, the purpose of which is the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

Contributions towards the running cost of the Heath are assessed on a triennial basis and increased annually in accordance with the average earnings index. The aim for the Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it.

Investment Policy

The investments are held within a segregated portfolio primarily focused on UK equities and also as one of the underlying charities in the City of London Corporation Charities Pool. Both the Trust itself and the Charities Pool are charities registered in the UK with the Charity Commission (charity numbers: 803392-1 and 1021138 respectively). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 27.

The Charity considers proactive engagement with the companies in which it invests to be the most effective means of understanding and influencing the social, environmental and governance policies of those companies. It expects investment managers to take steps to ensure that these factors are adequately addressed in the selection, retention and realisation of investments as far as such factors may affect investment performance.

Fundraising

Charities subject to the audit requirements of the Charities Act 2011 are required to include a statement in their annual report relating to fundraising activities. The charity is aware of these requirements and, as it does not undertake fundraising activity, has nothing to disclose under the provisions of section 13 of the Charities (Protection and Social Investment) Act 2016.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Hampstead Heath Trust Fund's aims and objectives and in planning future activities. The purpose of the charity is to provide a proportion of the running costs for the preservation and enhancement of Hampstead Heath as an open space for the recreation and enjoyment of the public.

Consequently, the Trustee considers that Hampstead Heath Trust Fund operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 27.

ACHIEVEMENTS AND PERFORMANCE

The aim for the Hampstead Heath Trust Fund is to meet a proportion of the maintenance cost of the Heath. In doing so, it is anticipated that the resulting upkeep and improvements will enhance the use made of the Heath by all of those who visit it. In 2021/22, the Trust has contributed £1,482,422 towards the preservation and enhancement of Hampstead Heath as an open space for recreation and enjoyment of the general public.

PLANS FOR FUTURE PERIODS

The charity continues to be affected by the global economic downturn from the global pandemic of Coronavirus. There has been a significant recovery in the market value of the investments held by the charity, and although investment income has increased compared to 2020/21, the downturn continues to affect the income generating of the charity's investments and may impact upon the future level of distributable income available to meet the grant-making objectives of the charity.

The Trustee is monitoring the situation and will continue with its operating model of only committing grants from available income funds. Where deemed necessary, future grant programmes may be placed on hold until adequate investment income has been received.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 18.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £2,025,319, an overall increase of £464,834 against the previous year (2020/21 £1,560,485).

All income came from investments in both years.

Expenditure

Total expenditure for the year was £1,675,308 (2020/21: £1,510,429). Charitable activities expenditure in the year totalled £1,482,422 (2020/21: £1,361,163). In 2021/22, the whole amount of investment income received in the year was used to cover these activities. Expenditure on raising funds for the year was £192,886 (2020/21: £149,266), which was mainly due to an increase in investment management expenses during the year.

Funds held

The charity's total funds held increased by £1,977,690 to £35,118,578 or +5.97% as at 31 March 2022 (2020/21: £33,140,888). Funds are represented by permanent and expendable endowment funds and unrestricted income funds.

The permanent endowment is held in perpetuity as a capital fund to generate income for the activities of the charity, with income arising from this capital being available to contribute to the running costs of the Heath.

The expendable endowment funds are used for the primary objectives of the charity.

Should net income from the endowment funds be greater than the required contribution towards the running costs of the Heath, then the surplus is retained within unrestricted funds held for use in future years in accordance with the objectives of the charity. A surplus of £350,011 was generated in the year (2020/21: £50,056).

Details of all funds held, including their purposes, are set out within note 9 to the financial statements.

Investment performance

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool. The performance of these investments is analysed as follows:

1) Segregated portfolio

The funds of the charity are managed by Artemis Investment Management LLP. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2021/22 £	2020/21 £	**2021/22 %**	2020/21 %	**2021/22 %**	2020/21 %
Hampstead Heath Trust	**34,102,513**	32,519,053	**+11.10%**	+30.63%	**+13.03%**	+26.71%
City of London Charities Pool (part of)	**782,826**	755,386	**+11.06%**	+30.72%	**+13.03%**	+26.71%
	34,885,339	33,274,439				

2) Hampstead Heath Trust Fund

As at 31 March 2022, the investments held in the Hampstead Heath Trust Fund achieved a return of +11.10% (2020/21 +30.63%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71%) Over three years this fund achieved a return of +7.41% (2020/21: +5.16%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.25% (2020/21: +7.22%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 years	**5 years**	3 years	5 years
Fund	**+7.41%**	**+6.25%**	+5.16%	+7.22%
FTSE All Share	**+5.31%**	**+4.69%**	+3.19%	+6.29%
Fund outperformance	**+2.10%**	**+1.56%**	+1.97%	+0.93%

3) City of London Corporation Charities Pool

As at 31 March 2022, the investments held in the Charities Pool achieved a return of +11.06% (2020/21: +30.72%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71). Over three years this fund achieved a return of +7.35% (2020/21: +5.04%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.16% (2020/21: +7.19%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 years	**5 years**	3 years	5 years
Fund	**+7.35%**	**+6.16%**	+5.04%	+7.19%
FTSE All Share	**+5.31%**	**+4.69%**	+3.19%	+6.29%
Fund outperformance	**+2.04%**	**+1.47%**	+1.85%	+0.90%

Reserves policy

The reserves policy is to maintain the endowment funds of the charity and use the investment income together with other funds, in accordance with the objectives of the charity. Should the net income from endowment funds held be more than any year's required contribution to the running costs of the Heath, then the surplus is retained as unrestricted funds to be used in future years. In 2021/22 the surplus was £350,011 (2020/21: £50,056).

Spending Policy

The reserves policy of the charity is that the original endowment of £15 million (now worth £32.5 million) should produce income to cover a proportion of the running costs of Hampstead Heath. The contribution for 2021/22 of £1,482,422 (2020/21: £1,361,163) consists of £1,450,000 from the permanent endowment (2020/21: £1,336,000), and income arising from the former T.J. Barratt Trust, which was transferred to the Hampstead Heath Trust Fund in November 2011, of £32,422 (2020/21: £25,163).

Should the actual income earnt in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment. The contribution of £1,482,422 for 2021/22 from the unrestricted funds was met entirely from net income, and no further allocation from the permanent endowment reserves was required.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks. The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects. • Having any necessary training programmes.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation
Guildhall, London
XX January 2023

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF HAMPSTEAD HEATH TRUST FUND

Opinion

We have audited the financial statements of Hampstead Heath Trust Fund ('the charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the Charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11 and 12, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for

the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Health and safety legislation, and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

[This report has not yet been signed]

Crowe U.K. LLP
Statutory Auditor

55 Ludgate Hill, London, EC4M 7JW

XX January 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income and endowments from:					
Investment income	2	2,025,319	-	**2,025,319**	1,560,485
Total income		2,025,319	-	**2,025,319**	1,560,485
Expenditure on:					
Raising funds	3	192,886	-	**192,886**	149,266
Charitable activities	3	1,482,422	-	**1,482,422**	1,361,163
Total expenditure		1,675,308	-	**1,675,308**	1,510,429
Net (losses) on investments	6	-	1,627,679	**1,627,679**	6,680,006
Net income/ (expenditure)		350,011	1,627,679	**1,977,690**	6,730,062
Transfers between funds	10	-	-	**-**	-
Net movement in funds		350,011	1,627,679	**1,977,690**	6,730,062
Reconciliation of funds:					
Total funds brought forward	10	216,877	32,924,011	**33,140,888**	26,410,826
Total funds carried forward	10	566,888	34,551,690	**35,118,578**	33,140,888

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 18 to 26 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Investments	6	**34,547,175**	32,841,486
Total fixed assets		**34,547,175**	32,841,486
Current assets			
Debtors	7	**353,061**	273,449
Investments	6	**160,856**	255,645
Cash at bank and in hand		**177,308**	177,308
Total current assets		**691,225**	706,402
Creditors: Amounts falling due within one year	8	**(119,822)**	(407,000)
Net current assets		**571,403**	299,402
Total net assets		**35,118,578**	33,140,888
The funds of the charity:			
Endowment funds	10	**34,551,690**	32,924,011
Unrestricted funds	10	**566,888**	216,877
Total funds		**35,118,578**	33,140,888

The notes on pages 18 to 26 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. Due regard is given to the protection of the expendable endowment funds when determining the level of contribution to the running costs of Hampstead Heath. The latest forecast anticipates that adequate funds will be available in the next five years to enable the charity to continue to fulfil its obligations.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

The charity has taken advantage of the exemption in FRS102 (paragraph 1.12b) from the requirement to produce a statement of cash flows on the grounds that it is a qualifying entity.

A Statement of Cash Flows is included within the City's Cash Annual Report and Financial Statements 2021 which is publicly available at www.cityoflondon.gov.uk.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate exchange. All gains or losses on translation are taken to Statement of Financial Activities in the year in which they occur.

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Investments

Investments are held within a segregated portfolio, primarily invested in UK shares, and in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

To ensure compliance with FRS102, investments are valued at bid-price. The difference in valuation as a result in the year is considered immaterial. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(j) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – the purpose of this fund is to provide income for the benefit of the charity as a result of conditions imposed by the original donors and trusts.

Unrestricted income funds – these funds can be used in accordance with the charitable object at the discretion of the Trustee and include both income generated by assets within the endowment funds and from those representing unrestricted funds. Specifically, this represents any surplus of income over expenditure of the Trust distributed annually towards the running costs of the Heath.

(k) Indemnity insurance

The charity, elected Members and staff supporting the charity's administration are indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**2,024,417**	1,560,485
Interest	**902**	-
Total	**2,025,319**	1,560,485

3. EXPENDITURE

Expenditure on raising funds:

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Managed investment fees	185,922	6,224	**192,146**	146,417	-	146,417
Interest payable	-	740	**740**	-	2,848	2,848
Total	185,922	6,964	**192,886**	146,417	2,848	149,265

Expenditure on charitable activities:

	Unrestricted funds			Unrestricted Funds		
	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Contribution to preservation and enhancement of Hampstead Heath as an open space	1,482,422	-	**1,482,422**	1,361,163	-	1,361,163

4. AUDITOR'S REMUNERATION

Crowe LLP are the auditors of the City of London City's Cash. The City of London Corporation charges the audit fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 no audit fee was recharged (2020/21: £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

5. TRUSTEE EXPENSES

The members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: £nil).

6. FIXED ASSET INVESTMENTS

The investments are held within both a segregated portfolio primarily invested in UK shares and the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number: 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 2022	Total 2021
	£	£
Long Term Fixed Investments		
Market value 1 April	32,841,486	26,012,892
Additions	8,338,779	8,100,986
Disposals	(8,260,770)	(7,952,397)
(Loss)/gain for the year	1,627,680	6,680,005
Market value 31 March	**34,547,175**	32,841,486
Short Term Investments		
Cash held by fund managers	160,856	255,645
Other Cash Balances	177,308	177,308
Short Term Investments	**338,164**	432,953
Total investments 31 March	**34,885,339**	33,274,439
Cost 31 March	**31,010,233**	29,983,729

Total investments as at 31 March are analysed between long term and short term investments as follows:

	2022	2021
	£	£
Long term	**34,547,175**	32,841,486
Short term	**338,164**	432,953
Total	**34,885,339**	33,097,131

The geographical spread of listed investments as at 31 March was as follows:

		Unit trusts	Equities	Cash	**Total**
Held in the UK	£	2,066,264	28,233,753	338,164	**30,638,181**
Held outside the UK	£	-	4,247,158	-	**4,247,158**
Total at 31 March 2022	**£**	**2,066,264**	**32,480,911**	**338,164**	**34,885,339**
Held in the UK	£	1,798,162	27,136,442	432,953	**29,367,557**
Held outside the UK	£	-	3,906,882	-	**3,906,882**
Total at 31 March 2021	**£**	**1,798,162**	**31,043,324**	**432,953**	**33,274,439**

7. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Sundry debtors	**-**	6,814
Other debtors	**353,061**	266,635
Total	**353,061**	273,449

Other debtors comprised of dividends receivable from fund manager.

8. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank overdraft	**77,476**	368,822
Other creditors	**42,346**	38,178
Total	**119,822**	407,000

9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	£
Fixed assets - investments	-	34,547,175	**34,547,175**	32,841,486
Current assets	566,888	124,337	**691,225**	706,402
Current liabilities	-	(119,822)	**(119,822)**	(407,000))
Total	566,888	34,551,690	**35,118,578**	33,410,826

At 31 March 2021	Unrestricted funds	Endowment funds	**Total at 31 March 2021**	Total at 31 March 2020
	£	£	£	£
Fixed assets - investments	-	32,841,486	**32,841,486**	26,012,892
Current assets	216,877	489,525	**706,402**	831,118
Current liabilities	-	(407,000)	**(407,000)**	(433,184)
Total	216,877	32,924,011	**33,140,888**	26,410,826

10. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	Transfers	**Total as at 31 March 2022**
	£	£	£	£	£	**£**
Endowment funds:						
Expendable endowment	755,386	-	-	27,440	-	**782,826**
Permanent endowment	32,168,625	-	-	1,600,239	-	**33,768,864**
Total endowment funds	32,924,011	-	-	1,627,679	-	**34,551,690**
Unrestricted funds:						
General funds	216,877	2,025,319	(1,675,308)	-	-	**566,888**
Total funds	33,140,888	2,025,319	(1,675,308)	1,627,679	-	**35,118,578**

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Transfers	**Total as at 31 March 2021**
	£	£	£	£	£	**£**
Endowment funds:						
Expendable endowment	641,163	-	-	114,223	-	**755,386**
Permanent endowment	25,602,842	-	-	6,565,783	-	**32,168,625**
Total endowment funds	26,244,005	-	-	6,680,006	-	**32,924,011**
Unrestricted funds:						
General funds	166,821	1,560,485	(1,510,429)	-	-	**216,877**
Total funds	26,410,826	1,560,485	(1,510,429)	6,680,006	-	**33,140,888**

Purpose of the endowment funds

The expendable endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Any income generated is used in accordance with the objectives of the trust. The purpose of this fund is to provide net income to be used to contribute towards the running costs of the Heath, transferred from the former T J Barratt bequest in December 2011.

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Before any potential gains on investments are considered, should net income be more than any year's contribution to the running costs of the Heath, then the surplus funds are retained as unrestricted funds to be used in future years. During 2021/22 the surplus was £350,011 (2020/21: £50,056). Should the actual income earnt in any specific year, added to the surpluses from previous years, be less than the contribution based on the funds from the original endowment, then the lower sum is attributed. The Finance Committee may decide that

an allocation is to be made from the permanent endowment reserves of the Trust Fund. This is within the terms of the Transfer Order for the original endowment.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent endowment fund income after the contribution towards the running costs of the Heath. Any undistributed annual income is held for use in future years in accordance with the objectives of the trust.

11. EXPENDABLE ENDOWMENT MOVEMENTS

Expendable endowment movements 2011-2022

	Balance at 1 April	Revaluation of investments	Balance at 31 March	Cash	**Expendable endowment**
	£	£	£	£	£
Opening	393,461	8,497	401,958	177,308	579,266
2011-2012	401,958	11,764	413,722	177,308	591,030
2012-2013	413,722	58,823	472,545	177,308	649,853
2013-2014	472,545	34,640	507,185	177,308	684,493
2014-2015	507,185	32,680	539,865	177,308	717,173
2015-2016	539,865	(30,719)	509,146	177,308	686,454
2016-2017	509,146	60,784	569,930	177,308	747,238
2017-2018	569,930	5,229	575,159	177,308	752,467
2018-2019	575,159	(5,229)	569,930	177,308	747,238
2019-2020	569,930	(106,075)	463,855	177,308	641,163
2020-2021	463,855	114,223	578,078	177,308	755,386
2021-2022	578,078	27,440	605,518	177,308	**782,826**

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 4.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22	2020/21	Detail of transaction
		£	£	
City of London Corporation	The City of London Corporation is the Trustee for the charity	**31,536** (nil)	23,833 (nil)	Distribution from the Charities Pool
Hampstead Heath	The Hampstead Heath Trust Fund is included within the Hampstead Heath consolidated financial statements	**1,482,422** (nil)	1,361,163 (nil)	Contribution to preservation and enhancement of Hampstead Heath as an open space
		1,513,958	1,384,996	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Hampstead Heath Trust Fund

Registered charity number: 803392-1

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane - The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London EM4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

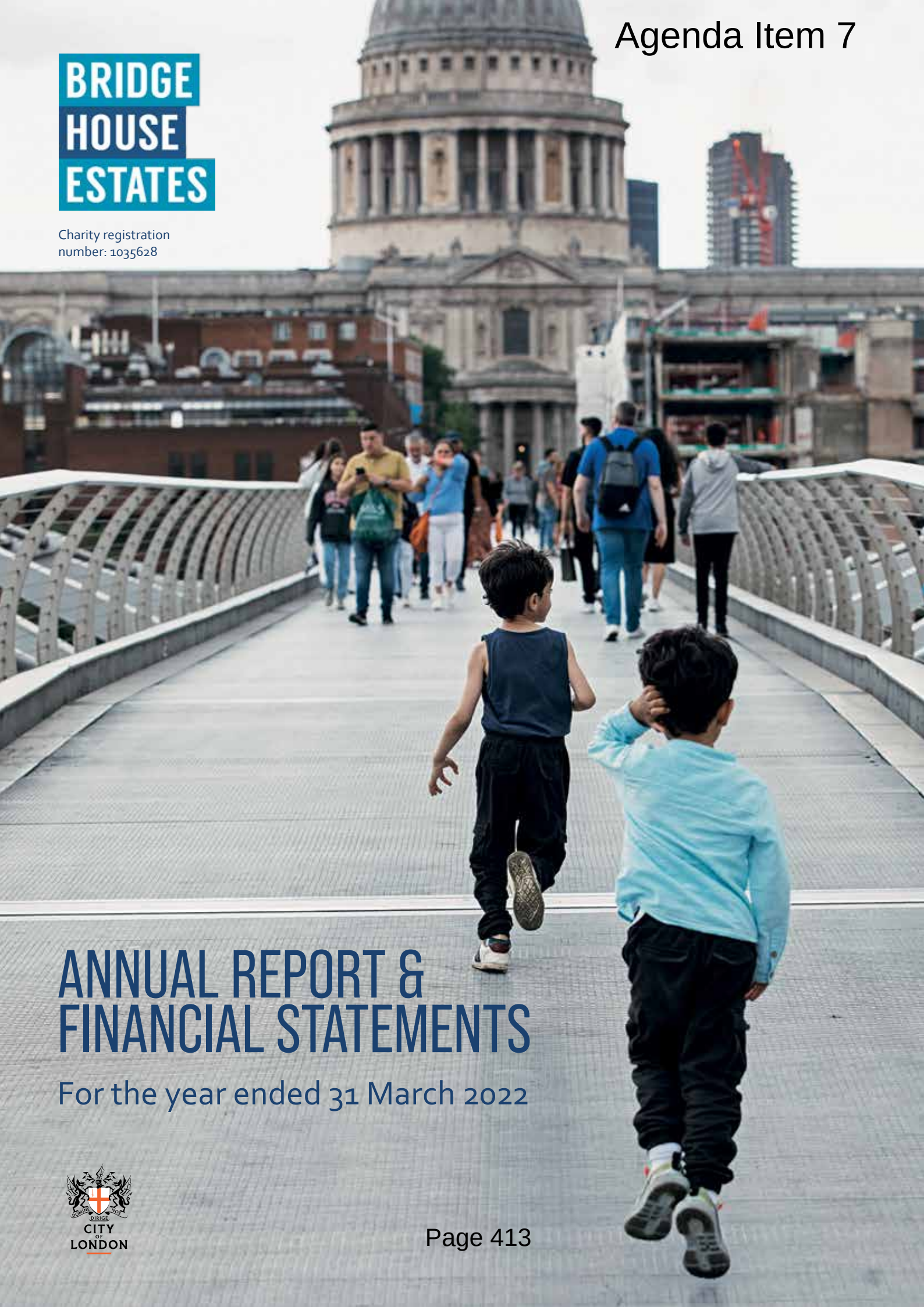
Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of Hampstead Heath (charity no: 803392) and City's Cash:

PA-DeputyChamberlain@cityoflondon.gov.uk

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BRIDGE HOUSE ESTATES

Charity registration number: 1035628



ANNUAL REPORT & FINANCIAL STATEMENTS

For the year ended 31 March 2022

CITY OF LONDON

CONTENTS

Overview of the year 2

Origins of the charity 4

Trustee's Annual Report 22

Trustee Responsibilities 28

Independent Auditor's Report 29

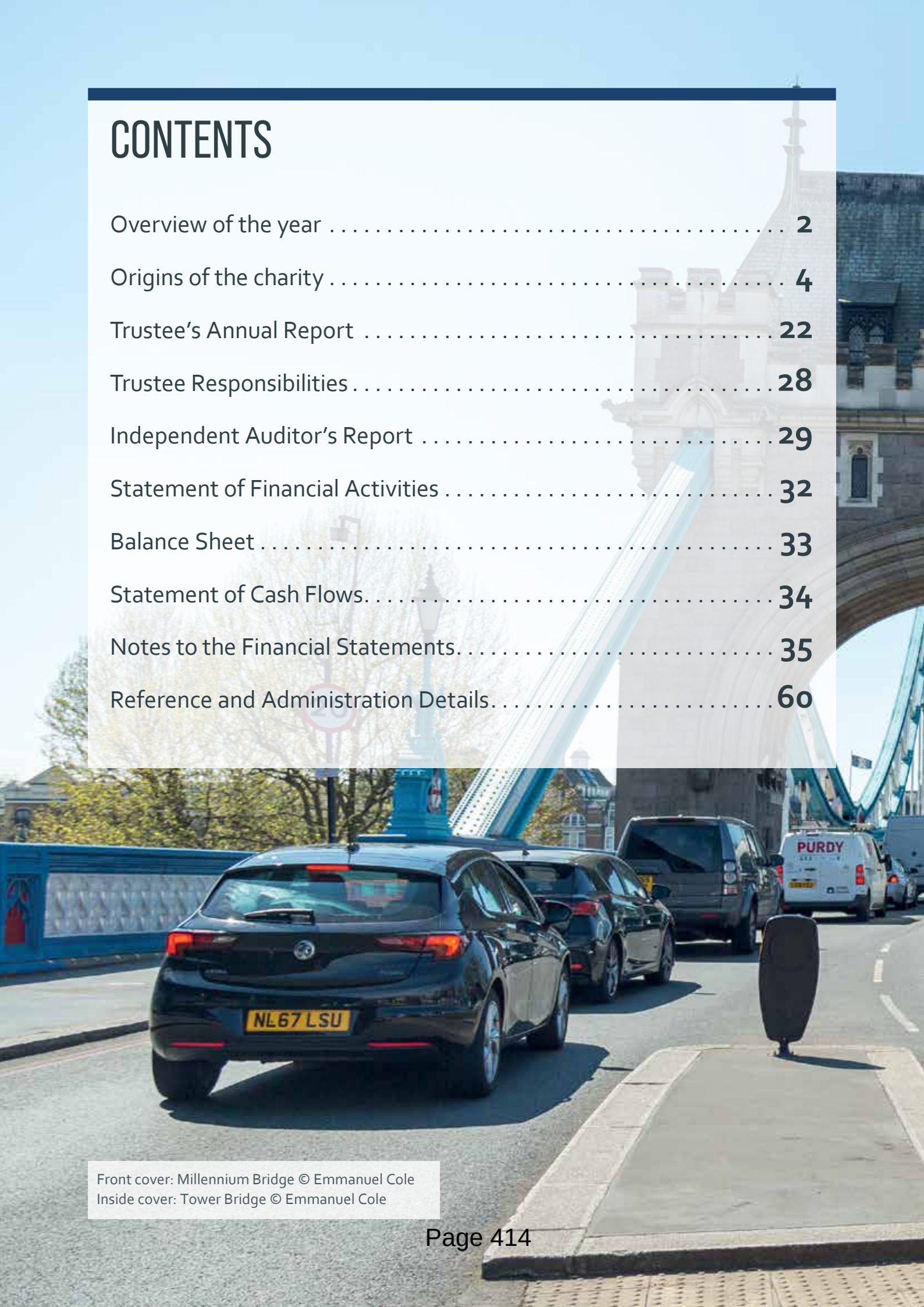
Statement of Financial Activities 32

Balance Sheet 33

Statement of Cash Flows. 34

Notes to the Financial Statements. 35

Reference and Administration Details. 60



Front cover: Millennium Bridge © Emmanuel Cole
Inside cover: Tower Bridge © Emmanuel Cole


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Southwark Bridge
© Catarina Rodrigues

OVERVIEW OF THE YEAR

Giles Shilson, Chair of the Bridge House Estates Board, looks back at the challenges and key successes of the past year.

Our charity Bridge House Estates (BHE) is able to trace its London roots back more than 900 years, to when a single wooden bridge spanned the Thames. Over the centuries the capital has withstood many threats, including previous pandemics such as the Black Death, the Great Fire of London and Blitz bombing. As Covid-19 continues to impact around the globe, I'm pleased to say that BHE continues to play its part in supporting London's recovery.

BHE's primary purpose is to manage and maintain five of London's key bridges (Blackfriars, London, Millennium, Southwark and Tower Bridges), vital infrastructure which connects the capital and those who live and work here. Our bridges are symbols of London's history and beacons for its future. BHE is also, by way of sound investment and good financial governance, able to maintain and support the Bridges and award at least £30m in grants every year. This funding supports some of the most vulnerable and disadvantaged communities living across Greater London.

The management and maintenance of the five Bridges continues on track, undertaking an essential service to London. An extensive three-year refurbishment project commenced at Blackfriars Bridge, which includes the full reconstruction of the parapets and repainting overall.

Meanwhile, Southwark Bridge celebrated its 100th birthday on 6 June 2021, with a specially commissioned light display, made possible by the architectural lighting system previously installed for the Illuminated River project. At only one century old, Southwark Bridge stands as a relatively young reminder of BHE's long history, its deep ties to London, and the people of London.

London's most iconic visitor attraction, Tower Bridge, was able to reopen as a public attraction and events venue in May 2021, but considerable care was necessary to balance increasing visitor numbers while retaining Covid-specific safety measures. The Bridge's offer has clearly been very effective, with a 'Gold Accolade' from Visit England and a Trip Advisor Traveller's Choice Award. The Bridge's online popularity has also increased, following the decision to remain digitally open while physically closed at the start of the pandemic. Tower Bridge offers a superb range of online learning and creative resources, along with a virtual visitor experience.

The majority of BHE's revenue is generated from its property and financial investments. The global impact of Covid-19, followed by market volatility and high inflationary pressures, has prompted fears of an economic slowdown. While BHE is financially secure, and



> At only one century old, Southwark Bridge stands as a relatively young reminder of BHE's long history, its deep ties to London, and the people of London.

able to meet the needs of the Bridges that it maintains and supports, these factors have emphasised the need for continuous financial forecasting and consideration of the impacts that these challenging conditions have on our ability to manage the activities of the charity now and in the future.

Rising inflation rates and the cost of living crisis are impacting heavily on the communities the funding arm of BHE, City Bridge Trust (CBT) supports. Organisations in receipt of funding are finding that grants are less effective than expected due to rising costs, and that staff and volunteers, often working on the frontline in grassroots organisations, are experiencing increased demand when already very stretched due to the impact of the pandemic.

Hence CBT's role has perhaps never been more important in bridging London's communities, and as an influencer and convenor in the broader London charitable sector. As the capital's largest independent funder, CBT continued to reshape and increase its grant-making programme *Bridging Divides*, and by working in partnership with other funders, CBT was able to boost its reach, efficiency and impact. The *Bridging Divides* review drew on lessons from the previous year, when some funding streams were put on hold in favour of supporting the sector-wide London Community Response, which was created to respond to the needs of communities in the capital affected by the Covid-19 pandemic. To ensure no one was left behind, a new support scheme, called 'Transition Funding', was launched to provide interim funding where some grant-making programmes remained paused.

CBT's non-financial support - offered to funded organisations via our 'Funder Plus' programme, was bolstered by the launch of the 'Bridge Programme' in early 2021. Funded organisations can benefit from a wide range of free offers, including training courses, peer-to-peer learning, property advice and in-depth management consultancy projects.

Several lessons learned from the pandemic influenced changes in CBT's funding practices over the year, from continuing to allow grant-holders to convert their funding to core unrestricted grants, to working more closely with equity partners within the London charity sector, to revisiting CBT's monitoring processes and making them more streamlined in order to free up valuable time for funded organisations.

All in all, BHE is a charity that continues to evolve and learn, in order to be as progressive, diverse and modern as the capital it serves and the people who live or work in it.

We are committed to work together to improve the lives of all those who live or work in the capital - for a London where everyone is truly connected.



Tower Bridge
© Catarina Rodrigues

ORIGINS OF THE CHARITY

The origins of Bridge House Estates can be traced back to 1097 when William II, successor as King to William the Conqueror, raised a special tax to help repair London Bridge.

By the end of the twelfth century, the shops and houses adorning Peter de Colechurch's new stone London Bridge were beginning to generate not only increased cross-river trade, but also increased taxes, rents and bequests. A significant fund began to accumulate, administered from a building on the south side of the bridge called Bridge House. Over succeeding centuries this fund has been administered by the City of London Corporation ('the City Corporation') as Trustee.

The Bridge House Mark, established as an identifying emblem of the charity for many centuries was designed by William Leybourn, a famous seventeenth century surveyor.

The work of Bridge House Estates now reaches out across the whole of London in many important and diverse ways:

The River Bridges

The maintenance and support of five of the bridges that cross the Thames into or by the City of London – London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge, and Millennium Bridge – is the primary purpose of the charity. They are gateways to the City of London and require sustained investment and expert care.

London Bridge – The first stone bridge across the Thames was built between 1176-1209 and replaced between 1823-1831. The current bridge was built between 1967-1972 and designed by the City Engineer, Harold Knox King with architects Mott, Hay & Anderson and William Holford & Partners. Made of concrete with polished granite, the Bridge has three spans founded on concrete piers fixed deep into the river clay. It was opened by Her Majesty, The Queen in 1973.



Blackfriars Bridge – Blackfriars Bridge was originally built between 1760-1769 and was known as 'Pitt Bridge' after William Pitt the Elder. This structure was replaced between 1860-1869 with a design by Joseph Cubitt of five wrought iron arches faced with cast-iron, on granite piers. The decorations include ornithological sculptures surmounting the granite columns on each cutwater, archaded cast iron parapets and enormous attached columns in red granite with Portland stone capitals. The sculptures depict land birds on the landward side of the bridge and sea birds on the side facing the sea. Queen Victoria opened the bridge in 1869.

Southwark Bridge – Originally built between 1814-1819, Southwark Bridge was purchased by the charity in 1868. The City of London had been trying to obtain control since 1827 to catch criminals escaping to Southwark, outside its jurisdiction! It was replaced between 1912-1921 with a design by Sir Ernest George and Basil Mott and comprises five steel arches with granite cutwaters and piers.

Tower Bridge – Designed by the Victorian architect Sir Horace Jones, the City Architect, in collaboration with Sir John Wolfe Barry KCB, Tower Bridge was opened in June 1894 after eight years of construction. It is a working bascule, suspension and girder bridge, constructed as a steel frame clad in stone and granite in Gothic style to complement the neighbouring Tower of London and is the only bridge where no part actually touches the City footprint. Under the Corporation of London (Tower Bridge) Act 1885 (as amended), the City Corporation is required to raise the Bridge to provide access to and egress from the Upper Pool of London for registered vessels with a mast or superstructure of 30 feet or more. The service is provided free of charge subject to 24 hours' notice and is available any time, day or night, 365 days per year. The City Corporation as BHE's Trustee ensures that the Bridge, a designated Grade 1 listed building, is properly maintained and protected as part of the nation's heritage.

As a world-famous icon of London, Tower Bridge enables tourists to have access to the internal areas of the Bridge, with a public exhibition having been in place since 1982. The exhibition showcases the Victorian architecture, engineering and also the original Victorian engines used to power the lifting of the Bridge. The operational and tourism activities at Tower Bridge are managed by the Trustee on behalf of the charity.

Millennium Bridge – As the first new pedestrian bridge to be built across the Thames for over a century, Millennium Bridge links the City of London at St Paul's Cathedral with the Tate Modern Gallery at Bankside. Funded by the charity and the Millennium Commission, the 'Blade of Light' is a 325 metre steel pedestrian bridge, conceived by Sir Anthony Caro OM CBE and built by Ove Arup and Foster Associates under the project management of the London Borough of Southwark and subsequently transferred to the charity to own and maintain.

The Grant-Making and Other Charitable Activities of City Bridge Trust

After the responsibilities relating to the bridges have been met, the charity can use surplus income in any year for its ancillary charitable purposes, the provision of transport for elderly and disabled people in Greater London and/or for other charitable purposes for the general benefit of the inhabitants of Greater London, further to a cy-près scheme settled by the Charity Commission in 1995. This scheme enables the charity to work through its charitable funding arm, CBT for a fairer London through tackling disadvantage. CBT works collaboratively to further these purposes through three key areas of activity, namely:

- Grant-making;
- Social investment; and
- Encouraging philanthropy.

Further information on the activities of CBT is available at www.citybridgetrust.org.uk



London Bridge
© Emmanuel Cole

TRUSTEE'S ANNUAL REPORT

Structure and Governance

Governing Document

Reflecting its ancient nature, complex history and long connection to the City Corporation, Bridge House Estates' (BHE) "governing document" is made up of a number of different sources or instruments, some of which are referenced below. In March 1994, the charity was registered with the Charity Commission.

Founders

By various ancient gifts of property, added to over the centuries.

Governing Instruments

Historic trust documents governing gifts, grants and bequests including, a Royal Charter of 24 May 1282.

A supplemental Royal Charter of 26 November 1957
Private Acts of Parliament including:

- The Blackfriars Bridge Act 1863
- The Blackfriars and Southwark Bridges Act 1867
- The Corporation of London (Tower Bridge) Act 1885
- The Corporation of London (Bridges) Act 1911
- The City of London (Various Powers) Act 1926, section 11
- The City of London (Various Powers) Act 1949, section 13
- The City of London (Various Powers) Act 1963, sections 9 & 32
- The London Bridge Act 1967
- The City of London (Various Powers) Act 1979, section 19

Various Schemes and Orders made by the Charity Commission:

- The Charities (Bridge House Estates) Order 1995 (S.I.1995/1047) and the Charity Commission Scheme which took effect by that Order
- An Order of the Charity Commission sealed 10 July 1997 (350.97)
- An Order of the Charity Commission sealed 20 July 1998 (251.98)
- The Charities (Bridge House Estates) Order 2001 (S.I.2001/4017)
- The Charity Commission Scheme dated 26 August 2005
- The Charities (Bridge House Estates) Order 2007 (S.I. 2007/550)

Ancient custom and practice.

Governance Arrangements

BHE is an unincorporated charity. The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of



London Corporation'), a corporation by prescription, is the corporate Trustee of BHE. The City Corporation is Trustee acting by its Court of Common Council and that executive assembly has delegated responsibility in respect of the day-to-day administration and management of this charity for the period of this report to the BHE Board, subject to those matters expressly reserved to the Court.

The BHE Board was formally constituted by the Court of Common Council in April 2021 and is responsible for the management and control of the charity, in the discharge of the City Corporation's functions as Trustee, under the oversight of the Court. This revised governance arrangement provides a framework for effective decision-making and which better demonstrates decisions have been taken solely in the best interests of the charity. In considering ongoing and effective administration and governance, the BHE Board established a Grants Committee of the Board to discharge operational functions in advancing the charity's ancillary object. As with the exercise of any delegated authority, the BHE Board retains responsibility and accountability for all decisions taken by its Grants Committee, with ultimate responsibility and oversight for the City Corporation as Trustee of BHE remaining vested in the Court.

Membership of the BHE Board and the Grants Committee is drawn from the 125 elected Members of the Common Council together with external appointees. In making appointments, the Court of Common Council will take into consideration any skills, knowledge and experience of the elected Members, and where relevant, external appointees. External appointments are made after a 'skills' audit. Members of the Court of Common Council are unpaid for support provided to BHE and are elected by the electorate of the City of London.

To support the BHE Board in its first year of constitution, the Board resolved to proactively consult with, and seek the advice of, other Committees of the Court of Common Council, drawing on their skills, knowledge and experience, to facilitate delivery of existing workstreams under the revised delegation arrangements, and to better inform the Board's decision-making on certain matters. The following Committees' advice were sought on matters as described below in the year 2021/22:

Policy and Resources Committee – in relation to any existing and on-going BHE projects which were previously within the purview of that Committee prior to the constitution of the BHE Board to assist the Board in taking its decisions for the successful delivery of those projects, as appropriate.

Investment Committee – in relation to strategic property and financial investment matters, that committee previously having had responsibility for such matters for BHE, to assist the BHE Board in taking related decisions for the charity.

Audit and Risk Management Committee – with these matters for BHE previously having fallen within the purview of this Committee, in relation to audit and risk matters as they affected both the external audit of BHE, and the internal audit and risk management for the charity as it operates and is managed within the City Corporation's operational and management audit and risk framework adopted in the discharge of all the City Corporation's functions.

All the above Committees are ultimately responsible to the Court of Common Council. Meetings are held at the Trustee's discretion in public (except where it is considered not to be in the charity's best interests to do so), supporting a decision-making process which is clear, transparent and publicly accountable.

Good governance is considered by the Trustee to be fundamental to the success of the charity. The comprehensive governance review that commenced in 2017/18 concluded during the year, with a move to an implementation stage. Following the constitution of the BHE Board, which provides more cohesive oversight of the charity's activities, a senior leadership team was established in January 2022, holding responsibility for the day-to-day operational management of the charity.

Utilising the Target Operating Model process established by the City Corporation, this team builds on a greater institutional definition for the charity within the City Corporation's wider operational framework, whilst maintaining appropriate autonomy of operation and decision-making for the charity. Appropriate consideration is being given to the practices recommended within the Charity Governance Code throughout this review.

Consistent with the Trustee's duty to keep BHE's governance under review to ensure the charity is operating effectively to further its charitable purposes, the work to seek further changes to BHE's governing documents by way of a Supplemental Royal Charter continued throughout the year with Her Late Majesty giving her assent at the meeting of her Privy Council in June 2022. The powers granted will enable the charity to operate more effectively and generate greater impact.

Organisational structure and decision-making process

The charity is administered in accordance with its governing documents and the law. The Trustee discharges its duties and functions in accordance with the City Corporation's own procedures and internal corporate governance framework (which include Committee Terms of Reference setting out the scope of delegations from the Court of Common Council, Standing Orders, Financial Regulations, a Members' Code of Conduct, and the Chief Officers' Scheme of Delegations). These City Corporation governance documents can be obtained via a request to the email address stated on page 61.

Each elected Member by virtue of their membership of the Court of Common Council, its relevant boards, committees and sub-committees, has a duty to support the City Corporation in the proper discharge of its duties and functions as Trustee of the charity by faithfully acting in accordance with charity law, the charity's governing documents, the Terms of Reference of the relevant board, committee or sub-committee to which responsibilities are delegated from the Court, and the City Corporation's agreed corporate governance framework and procedures as noted above.

Induction and Training of Members

The City Corporation makes available to its Members (and external appointees), seminars and briefings on various aspects of its activities, including those concerning the charity, to better enable them to perform their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of BHE, with an emphasis on involvement for those Members (and external appointees) actively working with the charity. If suitable seminars or other training options are identified that are relevant to the charity, Members (and external appointees) are advised of these opportunities.

Purposes and activities

The purposes of the charity are the support and maintenance of London Bridge, Blackfriars Bridge, Southwark Bridge, Tower Bridge and Millennium Bridge. After these responsibilities are met, any income surplus to that which can be usefully applied in accordance with the subsisting trusts in any given year is applied for the provision of transport for elderly and disabled people in Greater London and/or for other charitable purposes for the general benefit of the inhabitants of Greater London in accordance with a policy settled by the Trustee following consultation.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing BHE aims and objectives and in planning future activities. The five river bridges maintained and supported by the charity are available to the general public on an open access basis. Regarding grant-making activities of the charity and other support for the charitable sector undertaken by the charity's funding arm 'City Bridge Trust,' the Trustee awards grants at its discretion to address disadvantage across London's diverse communities and provides more general support to the charitable sector through various strategic initiatives. This process is based upon published criteria, and through thoughtful analysis and collaboration with other partners in the sector regarding the needs of marginalised communities in Greater London. The charity uses a transparent and fair assessment process and ensures that a robust monitoring system is in place to establish the public benefit derived from each grant approved alongside the other activities of the charity.

Consequently, the Trustee considers that BHE operates to benefit the general public and satisfies the public benefit test.

Reference and administrative details

The administrative details of the charity are stated on pages 60 - 61.



Gardening and food growing at the Albany arts centre in Deptford, funded by City Bridge Trust



Southwark Bridge
© Emmanuel Cole

ACHIEVEMENTS AND PERFORMANCE

The Bridges

Bridge House Estates maintains and supports five of the main river bridges in central London. These are road and pedestrian bridges which cross the Thames into (or nearby) the City: Tower Bridge, London Bridge, Southwark Bridge, Millennium Bridge and Blackfriars Bridge. These vital thoroughfares are managed and maintained by a specialist team, working closely with other stakeholders to ensure the bridges continue to serve the capital, safely and securely now and in the future.



and white colour scheme will be restored, and the rust staining removed. The benefits of this project will be visibly apparent over the coming years as the refurbishment traverses the bridge, span by span.

Adjacent to Blackfriars Bridge, the Thames Tideway Tunnel project (a massive new Super Sewer being constructed along the line of the river) has continued at pace. The City Corporation's Bridges Engineering Team have been working closely as part of the project team to provide technical approval and ensure that BHE's assets are protected throughout. The extensive monitoring of the Bridges continued to show lower than anticipated settlement as a result of tunnelling activity, well within safety limits.

Discussions have continued with the developer of Colechurch House over the replacement of the footbridge over Duke Street Hill which provides access from London Bridge to London Bridge Station.

On 6 June 2021, Southwark Bridge celebrated its centenary. Following a commemorative boat inspection by the Lord Mayor, the bridge was lit with a specially commissioned light display over its birthday weekend. Each evening, the bridge glowed with slow pulses of bright, white light, repeating in 100-second cycles. The display made use of the architectural lighting system previously installed by the Illuminated River project.

There has been significant activity at Blackfriars Bridge with the commencement of the long-awaited Blackfriars Bridge refurbishment project. Infrastructure services company FM Conway was appointed to carry out the extensive refurbishment, including the full reconstruction of the parapets and full repainting of the bridge. The refurbishment will take place over three years. There was a considerable period of engagement, owing to the number of significant projects and stakeholders in the area, such as Tideway. However, work started on site in earnest in January 2022. As part of the project, the cast iron parapets have started to be stripped down to their component parts and taken back to bare metal whilst being meticulously tracked and recorded. This is the first time this has been attempted across the whole of the bridge since its construction in 1869. Any new elements required are being re-cast in the traditional manner before being coated in a modern paint system to protect the bridge structure for years to come. The distinct red



Millennium Bridge
© Emmanuel Cole / City Bridge Trust



Tower Bridge © Tower Bridge

Tourism at Tower Bridge

For almost 130 years Tower Bridge has been the symbolic gateway to London. It is one of the capital's most recognisable landmarks, a working bascule bridge which is also an award-winning and popular, paid visitor attraction. In May 2021, following the third national lockdown, the Bridge was able to again reopen as an attraction and events venue to the public, carefully increasing capacities while retaining the majority of its Covid-specific safety measures, in line with public feedback and expectations.

The UK and London tourism and events economies started to experience gradual recovery in 2021/22, following the severe impact of the pandemic on domestic and international visitor appetite and ability to travel. Preparations ahead of the year saw Tower Bridge working closely with industry bodies and working partners in order to understand the latest predictions for recovery, following which a flexible operational and promotional plan was created and deployed. As a result, visitor levels at Tower Bridge increased to a greater degree than experienced at many of its peer major central London attractions in 2021/22, due to an agile marketing approach which initially targeted Londoners and the 'hyper-local' market, after which the sector continued to recover and international travel restrictions were lifted.

Following the third national lockdown, the Bridge reopened as an attraction and events venue to the public on 17 May 2021. It was in the first wave of UK attractions to do so, and welcomed over 2,000 visitors in its first week, which saw the restarting of income generation for the charity in terms of admissions, events and retail. Following reopening, government restrictions including distancing measures remained in place until July 2021, which meant significantly reduced capacities in order to maintain social distancing.



Visitor sentiment research undertaken by key tourism bodies and associations showed there was significant public appetite (75% of the visitor attraction-going UK public) for seeing distancing measures retained past the removal of legal requirements in mid-July, with 40% stating they would not visit without measures in place. As a result, Tower Bridge retained the majority of its Covid-specific safety measures to the end of the financial year, while carefully increasing capacities in line with positive changes in national data. Feedback illustrated this was instrumental in maintaining confidence and encouraging visitors back to the attraction.

In terms of quality of experience, the Bridge achieved its record score of 93% for its annual Visit England (VE) assessment, which resulted in contention for the 2021 VE Accolades and the awarding of a subsequent 'Gold Accolade' in October 2021. The Bridge also achieved a Trip Advisor Traveller's Choice Award in 2021 and at the time of writing is ranked on their website as second of all London 'things to do' and 'Visitor Attractions'.

The Learning team at Tower Bridge maintained the Sandford Award for Heritage Education in 2021, receiving highly positive feedback following a period of piloting the return of onsite learning sessions with enhanced safety measures. The Bridge's digital presence was also developed further in 2021/22. After remaining digitally open while physically closed at the outset of the pandemic, its online learning provision and virtual visitor offer proved very popular and were clearly here to stay, including extensive workshops and online resources.

The Bridge also experienced its highest participation levels for specific onsite initiatives over the course of the year, including family activities and 'relaxed early openings', designed to provide an autism-friendly environment.

The venue hire business at Tower Bridge was unable to restart until September 2021 due to Government restrictions after which it experienced a sharp increase in bookings and enquiries. Weddings, receptions, dinners and other celebrations took place in the Bridge's event spaces across the latter half of the financial year, which included the highest number of events facilitated in March 2022 in comparison with any previous year.

	21/22*	20/21**	19/20	18/19
Visitor numbers to Tower Bridge	261,815	45,127	835,821	862,696
No. of pupils participating in education programme	2,604	1,429	4,344	3,975
Admissions Income	£1,867,911	£320,625	£4,033,965	£4,367,647
Retail Income	£703,458	£147,512	£1,698,765	£1,498,267
Venue Hire Income	£529,502	£10,448	£931,116	£916,478

*Business recovery year following the pandemic – reopened from mid-May 2021 in line with Government restrictions, to reduced capacities and increased safety measures. Onsite school sessions did not recommence until October 2021. Visitor appetite gradually increased throughout the year, although a return to pre-pandemic levels is not predicted by industry bodies until 2023/24.

**Business and operations severely affected by the pandemic. Open for only four months of the financial year in line with Government restrictions and substantially reduced footfall and appetite across the tourism industry after initially reopening in July 2020.

The operational management of Tower Bridge as a working bascule bridge, transport infrastructure and its 24-hour security provision continued throughout 2021/22, including the fulfilment of the Trustee's statutory obligation for raising Tower Bridge for river vessels, and the protection of the Bridge and the public. A number of major operational projects were also successfully completed in 2021/22, including a ten-month replacement of the Bridge's hydraulic pipework and components, while it remained operational throughout.



National Youth Theatre
© Renata Boruch / Belle Imaging

Bridge House Estates' Funding and Philanthropic Activities

Since 1995, BHE's charitable funding arm CBT has distributed surplus income that is not required for the long-term maintenance and support of the five bridges. As London's largest independent funder, CBT provides grants to hundreds of organisations every year, and works collaboratively with other funders and partners to maximise efficiency and extend reach. The funding is used to reduce inequality and grow stronger, more resilient and thriving communities for a London that serves everyone.

The ongoing impact of the pandemic influenced much of CBT's work across the capital. The team worked hard to support London's charitable and social sector with funding and investment, while maintaining a focus on a just and equitable recovery. CBT's Bridge Programme provided additional free support to funded organisations, engaging a network of partners to help with a wide range of support options, including organisational development and governance, fundraising and impact measurement.

Bridging Divides

An interim review of BHE's charitable funding strategy, 'Bridging Divides', delivered through the charity's funding arm, CBT, led to many open funding programmes being updated to better deliver the core policy objectives of the strategy. A new support scheme, 'Transition Funding', was launched to provide interim funding where some programmes remain paused.



Despite the challenges of the pandemic, the charity's overall strategy through CBT remains valid, empowering people and communities across London to reach their full potential by:

- tackling disadvantage and exclusion
- reducing inequalities and marginalisation
- fostering more resilient and thriving communities.

CBT aims to support communities in using their assets to tackle the root causes of, and mitigate the impact of, disadvantage, exclusion, inequality, and marginalisation. Following two years of disruption, CBT is not returning to 'business as usual' but is undergoing a process of learning and adaption.

As well as grant-making, CBT offers robust, non-financial support for funded organisations via the Bridge Programme. This connects CBT-funded organisations with a range of free support, making use of the non-financial resources of BHE and the City Corporation, encompassing assets such as expertise, networks, venues and training. The initiative aims to enhance organisations' capacity, resilience and long-term sustainability, and is supported by partners Rocket Science, Locality and Cranfield Trust.

CBT is also proactive in seeking additional opportunities to support sustained, positive change across the capital, by making the most of resources, influence, networks, skills and assets.

Diversity, Equity and Inclusion

CBT is committed to being truly inclusive and anti-racist with a robust and progressive Diversity, Equity and Inclusion (DEI) programme. There is a power imbalance inherent in grant-making structures and practices and CBT is working hard to redress this, guided by a dedicated DEI working group. This is with the understanding that a greater diversity of views, skills and lived experience will help generate better ideas and better decision making.

CBT strives for equal opportunities and outcomes for those supported by its work, taking into account different backgrounds, cultures, race and abilities. The team actively seek out the opinions and experiences of under-represented people and communities to inform our services and aim to fund more organisations led by people with lived experience.

CBT is actively working on delivering a DEI Action Plan, which incorporates a Race Action Plan.

Alliance Partnerships

CBT values the benefits of working in alliance with other funders. By collaborating with other organisations CBT increases the reach and impact of its grant-making. Notable examples from this year include:

The Rise Fund: CBT provided £500k over two years to Rosa, a grant-making charity that funds grassroots women's organisations and works to make the UK a fairer, safer place for women and girls. The Rise Fund invests in the future of Black and minoritised-led women's and girls' organisations, providing grants to strengthen the sector.

Civil Society Roots 3: A collaboration with the Greater London Authority (GLA). CBT contributed £720k. The GLA is coordinating the distribution of grants across 10 London boroughs. Funding is for groups that are led by and for communities impacted by structural inequalities, with the aim of strengthening networks, capacity and voice.

Trust for London (TFL): CBT provided £2m to TFL's Racial Justice Fund, which aims to tackle racial injustice by increasing economic empowerment among London's Black and minoritised communities.

CBT also provided £1.5m to TFL's Disability Justice Fund which will supply grants to strengthen the disability movement in London by supporting organisations led by Deaf and Disabled people, enabling growth in effectiveness, power, and influence.

City Bridge Trust Charitable Funding

FINANCIAL YEAR 2021/22

BRIDGING DIVIDES

Responsive Programmes
Grants 103
Value £10,790,390

Cornerstone
Grants 15
Value £1,452,100

Eco-Audits
Grants 8
Value £16,800

Access-audits
Grants 10
Value £38,100

Small Grants
Grants 30
Value £731,720

Strategic Initiatives including Alliance Funding
Grants 37
Value £14,246,859

Stepping Stones
Grants 6
Value £189,800

London Community Response Fund
Grants 76
Value £2,926,940

In 2021/22, Strategic Initiatives grants included six Alliance Funding awards, totalling £6,239,999

Rosa Rise Programme £499,999	Greater London Authority Civil Society Roots £720,000	John Lyon's Charity Recovery Fund £1,020,000
United St Saviour's Charity Post Covid Response £500,000	Trust for London Racial Justice Fund £2,000,000	Trust for London Disability Justice Fund £1,500,000

Strategic Initiatives

In addition to its responsive grant-making, each year CBT also funds Strategic Initiatives which enhance London's voluntary and community sector. These include:

A contribution of £485k towards LocalMotion. This collaboration of six funders, including CBT, will use their collective resources, experience and strengths to support local communities, working with local partners to address specific social, environmental and economic priorities.

A grant of £37k to Spectra, providing initial funding for the development of a Trans Learning Partnership. This trans and non-binary research and development programme will share knowledge, experience and good practice to directly improve lives.

A grant of £35k towards the access costs of people with disabilities taking part in TFL's Commission on Social Security, which is exploring ways of improving the social security system.

Stronger Voices

As part of CBT's focus on equity, support is made available to those that need it most. For example, CBT is funding a training programme designed to strengthen the voices of London-based equality organisations. This will help them effectively advocate for their beneficiaries and causes, driving through positive change for the capital's marginalised and vulnerable groups.

This Stronger Voices project is being led by Media Trust, backed with CBT funding of £223k over three years. The programme provides six months of free training, specifically designed for the voluntary sector. The aim is to empower people with lived experience to share their stories, and to level the playing field.

Grant-making policy

The Trustee has established BHE's grant-making policy to achieve the charity's ancillary purpose, as laid out on page 5, for the public benefit. In the name of CBT, its charitable funding arm, BHE considers and funds a large number of organisations and makes awards through a wide programme of funding schemes. The majority of grant commitments are usually for revenue expenditure, awarded over 2–5 years.

All applications are assessed via a robust process to ensure that proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. Approved grantees are required to report annually on the impact of their work. Information is collected in a uniform and systematic way, enabling analysis and feedback to take place. The results of monitoring reports are used to assess the overall effectiveness of grant-making, along with a commissioned grantee perception survey providing benchmarking and performance data.

Details of how to apply for grants are available on the CBT website – www.citybridgetrust.org.uk

Social Investment

CBT isn't just a grant funder. It also invests, providing loans where a well-defined and measurable social benefit can be achieved within the term of the investment.

As an example, during the year the drawdown against the £320k investment in social enterprise Micro Rainbow was used to support its aims to provide safe shelter for LGBTQI-asylum seekers and refugees in London. Such investment builds on CBT's vision for an equitable London, a city where people from every background can access the opportunities and support they need, and where all individuals and communities can thrive.

Impact and Learning

CBT has a dedicated Impact and Learning team. Their task is to continue boosting a culture of learning (externally and internally), enhance data collection, enable impact measurement and catalyse sector feedback. By making better use of evidence the team improves CBT's work and impact, increasingly ensuring this data benefits sector partners.

Processes have been put in place to enable funded organisations to help improve CBT's work. The Team analyse and act on insights gathered through feedback, case studies and learning visits. Further information is gathered from an online service called GrantAdvisor UK, which allows grant-seekers to submit free, anonymous reviews of grant-makers.

Research began in 2021 to examine how disabled people experience hybrid working. The research - in collaboration with The Work Foundation (part of Lancaster University) will also examine how hybrid working could support job entry, return-to-work and job retention, creating policy recommendations.

As the capital recovers from the past two years, CBT remains committed to working in accordance with its PACIER values (Progressive, Adaptable, Collaborative, Inclusive, Environmentally Responsible and Representative) – and with its partners to catalyse a London where people from every background can access the same opportunities and support; where all have a chance to thrive.



Blackfriars Bridge
© Catarina Rodrigues

BHE Investments

The Investment Strategy Statement (ISS) held by BHE provides the framework for managing the charity's investment portfolio and incorporates the strategic objectives approved within the overarching strategy for BHE, *Bridging London 2020 – 2045*. This reflects the radical Climate Action Strategy adopted in 2020 by the City Corporation for both the organisation itself and as Trustee for BHE.

The purpose of the ISS is to ensure that the charity maintains consistent funding for its primary purpose, meeting the needs of the five Thames Bridges, with surplus investment income being appropriately managed to support the ancillary purpose in line with BHE's latest approved charitable funding strategy, delivered in the name of CBT. The ISS covers the investment of the charity's permanent endowment fund – both now and in the future - and unrestricted income fund, and encompasses property, financial and social investments.

Investment policy

The charity's investments are invested in accordance with the powers set out in an Order of the Charity Commission dated 20 July 1998, the Trustee Act 1925, the Trustee Act 2000 and within its Investment Strategy Statement (ISS). The Order, in addition to its other powers, enables the Trustee to invest the property of the charity either:

- in the acquisition of any securities or property (real or personal) of any sort; or
- on deposit or loan whether in the UK or elsewhere.



The charity defines investment risk principally as the danger of failing to meet its primary purpose. As an endowed charity, the Trustee has a duty, when investing the permanent endowment, to balance capital growth and income return to meet the charity's purposes now and in the future. To achieve this, the real value of the permanent endowment is required to be preserved, after providing for annual expenditure, alongside consideration of required levels of income generation. Due to the in-perpetuity nature of the objects and size of the charity's funds, the charity can take a more longer-term view and tolerate a reasonable level of short-term volatility to the value of the endowment fund as an investment opportunity rather than as a threat. The long-term investment objectives of the portfolio are currently to:

a. Apply a targeted income return of CPI +4% to the financial investment funds held.
b. Outperform the MSCI Benchmark (Greater London Properties) for total return on an annualised 5-year basis, for the property investment funds held.
c. Apply a minimum targeted income return of CPI to the Social Investment Fund.

The Trustee is committed to being a responsible investor of the charity's funds and the long-term steward of the assets in which it chooses to invest those funds. It expects this approach to protect and enhance the value of the charity's assets over the long term. The Trustee is aware that the charity's mission or its credibility may be undermined if it invests in businesses whose activities undermine the charity's values and charitable purposes. The Trustee recognises it is consistent with its fiduciary duties and duty in investing charity property to manage Environmental, Social and Governance (ESG) issues that may be financially material. As a long-term investor, BHE recognises that it should manage ESG risks that can be both long-term and short-term in nature. In addition, the Trustee seeks to identify investment opportunities for BHE aligned with the charity's long-term purposes. As a signatory to the Principles for Responsible Investment (PRI), the Trustee has also agreed to incorporate the six core principles of PRI into the charity's investment analysis and decision-making processes. The Trustee is also committed to align the charity's financial investment portfolio with the goals of the Paris Agreement on climate change (2015). It is further committed to being net zero across BHE's full value chain, working closely with other aspects of the City Corporation's business to deliver the joint Climate Action Strategy adopted for BHE as Trustee and by the City Corporation for itself, with a deadline of net zero by 2040.

The performance of the charity's investments during the year is discussed on pages 19 - 20 and set out in Notes 13 - 15.

Property Investments

BHE has a property investment portfolio comprising of assets located primarily in the City of London and the London Borough of Southwark. The portfolio is predominately comprised of offices together with retail, industrial and education assets, and represents the permanent endowment funds of the charity. There are now 66 assets (2020/21: 65 assets) within the portfolio of which around 50% by value are ground leases, providing regular income. Due to their nature, 12 of these assets, such as bridge vaults, are not benchmarked alongside the rest of the portfolio but are valued externally.

The underlying value of the property portfolio, as disclosed in the balance sheet, increased by £45.3m (5.3%) to £888.1m at 31 March 2022. The objectives for this portfolio, as stated within the ISS, are to maximise rental income and to outperform the MSCI Benchmark (Greater London Properties including owner occupied) total return on an annualised 5-year basis. The portfolio outperformed the MSCI Benchmark across all reported periods. The performance of the property portfolio is depicted in the table below:

	31 March 2022	31 March 2021
Capital Value*	**£888.1m**	£843.8m
Gross Rental Income **	**£26.2m**	£27.0m
5-year annualised Total Return	**8.6%**	10.2%
Benchmark 5-year annualised Total Return	**6.3%**	4.3%
MSCI Universe (All UK Property) 5-year annualised Total Return	**2.1%**	3.1%

* Inclusive of lease smoothing adjustment

** Inclusive of service charge income

Review of activities from 2021/22:

- Increased investment in industrial sector with purchase of DNL House, Walthamstow (£13.8m) with passing rent of £430k per annum and estimated rental value of £582k per annum
- Maximised the price of £19.5m achieved from the sale of 64 & 65 London Wall EC2 (ahead of valuation of £17.5m)
- Regear of Millennium Bridge House ground lease to allow major refurbishment with phased premium of £12m (£5m received to date)
- Agreement for lease exchanged with Fashion Retail Academy for pre-let at 84 Moorgate for total rent of £2.8m per annum after expiry of rent-free period
- Progressed major refurbishments at 120 Cannon Street, 30 New Bridge Street, 23 Finsbury Circus and 74 Moorgate & 84 Moorgate, all targeting Energy Performance Certificate (EPC) ratings of a minimum of B and BREEAM sustainability ratings of Excellent, while reducing carbon emissions.

Financial Investments

The BHE financial investment portfolio primarily represents the unrestricted income funds of the charity, although currently around a fifth of the portfolio forms part of the permanent endowment fund. The aim of the portfolio, as set out in the Investment Policy on page 16, is to seek an absolute return over the long term to provide for increases in annual expenditure whilst preserving its capital base in real terms, which is currently set at CPI + 4%.

To achieve its objective, the portfolio is invested across a diverse array of asset classes, on a global basis, which includes exposure to publicly listed equities, fixed income, multi-asset funds, infrastructure and private equity. The charity primarily accesses these asset classes through pooled fund vehicles, each managed by specialist appointed fund managers. Twenty percent of the portfolio is managed on a segregated account basis by Ruffer LLP.

The performance of the financial investment portfolio is shown in the table below:

	31 March 2022	31 March 2021
Financial Investments Portfolio Value*	£879.5m	£834.0m
One Year Total Return	6.6%	26.5%
Absolute Return Target	11.0%	4.7%
Asset Allocation Benchmark	11.4%	18.4%

* The Portfolio Value includes £879.5m long term investments (£843.0m as at 31 March 2021) plus £8.5m short term investments with fund managers (£9.1m as at 31 March 2021).

Financial markets started the year to 31 March 2022 positively as economies reopened and a strong recovery in corporate earnings supported momentum in equity returns. However, by the middle of the year market volatility had increased as supply chain challenges constrained the recovery, exerting inflationary pressures and prompting fears of an economic slowdown. After a brief resurgence at the end of 2021, Markets contracted in the final three months to March both as a result of Russia's invasion of Ukraine (which led to a further increase in commodities prices) and due to changes in monetary policy conditions, as central banks acted to combat inflation.

It is very difficult for the portfolio to outpace high inflation over the short term and under these challenging investment conditions, the charity's financial investments generated an annual return of 6.6% in the year to 31 March 2022. Although this trailed the charity's absolute return target (11.0%) and asset allocation benchmark (11.4%) for the year, this followed a year of strong outperformance in 2020/21 and it should be noted that the charity aims to meet its investment targets over the long term, where performance continues to be positive.

Social Investments

BHE holds £8.6m (2020/21: £9.1m) of unrestricted income funds as social investments. The activities and performance of the social investment fund is stated on page 16 alongside the section on BHE's philanthropic and funding activities.

Plans for future periods

BHE has always existed, and continues to exist, for the benefit of London, and is anchored by the needs of London's communities. BHE's role continues to be more important than ever in bridging and connecting London – both physically via its five bridges, and through supporting causes at the heart of London's communities that help bridge divides in society. The grant of the Supplemental Royal Charter will provide the opportunity to enhance the governance of the charity ensuring that BHE is a modern and progressive charity that can continue to respond to the issues of today. The changes that the new charter will bring includes:

- greater flexibility in the application of BHE's funds, with suitable safeguards to protect the primary object to maintain and support needed for the five Bridges
- provision of more modern and flexible powers in relation to the administration of BHE and
- greater clarity around the operation of the Trustee's existing powers and embedding of the principles of modern, good governance in the charity's governing document.

The vision for the next year across the activities of the charity includes:

The Bridges: A major focus over the coming year continues to be the Blackfriars Bridge refurbishment project, with Southwark Bridge also seeing major works, with the waterproofing of approach structures on both sides of the Bridge. The Team will continue to work closely with the Tideway Tunnel Team and in enhancing bridge security. Discussions are ongoing with Transport for London regarding traffic access constraints on London Bridge, and concerns regarding the potential damage to Tower Bridge arising from increased contraventions of the weight restrictions for heavy goods vehicles.

Tower Bridge Tourism: The continued recovery of the Bridge's tourism, events business and education provision will remain a priority, allied to adaptive and responsive operational and strategic marketing models. Current business support facilities will be reviewed with the potential procurement and implementation of a new ticketing, bookings, point of sale and back of house system. The journey towards official 'Green Tourism' accreditation will be commenced, in support of BHE's strategic focus on sustainability.

Activities of City Bridge Trust: CBT will apply learning from the last two years to set out a clear, accessible funding offer that supports communities to use their assets to tackle the root causes of, and mitigate the impact of, disadvantage, exclusion, inequality, and marginalisation. By collaborating with other funders, CBT will increase reach and maximise use of resources. A new website for BHE will increase engagement, transform the user experience and enable more audiences to access funding and support. With Covid restrictions lifting, face-to-face learning visits with funded organisations will restart. In April 2022 CBT held its first Networking and Learning Day - enabling a wide range of funded organisations to come together and share their stories and experiences with one another.

Investments: A detailed review of the current ISS is planned for 2022/23, considering the future management of the charity's investment portfolio and the approach to be taken on matters such as impactful investing. The intention is for a revised policy to be adopted ahead of the 2023/24 financial year. Plans for the specific investment areas during 2022/23 include:

Property Investments: major office refurbishments which continue at 120 Cannon Street and 30 New Bridge Street are targeting EPC ratings of B and BREEAM ratings of Excellent for sustainability and a consultant will be appointed to advise on achieving EPC ratings of B by 2030 and net zero carbon by 2040 across the portfolio. The impacts of high inflation on these and other projects will require management, with funds raised by re-gearing the ground lease at Adelaide House (EC4) and Salisbury House (EC2) potentially being redirected to address escalating costs.

Financial Investments: the BHE Board will continue to manage the charity's financial investment portfolio in line with the overall objectives, awaiting changes that may arise from the review of the ISS. Throughout 2022/23 it will monitor the performance of the financial investments, ensuring that asset allocation remains appropriate and managing the performance of appointed investment managers.



Millennium Bridge © Emmanuel Cole



The Heart n Soul project in Deptford, enabling young people to learn new skills, make new music and art. Funded by City Bridge Trust

FINANCIAL REVIEW

Overview of financial performance

Over the year, the charity continued to focus on managing the impacts of the pandemic. This included the reopening of Tower Bridge as a visitor attraction in May 2021, keeping on track with our bridge maintenance programme and reviewing our funding programmes to meet the needs of Londoners. Economic factors, such as increasing inflation rates, low interest rate levels and the impacts of the Government's plans to address the pandemic, continued to cause uncertainties for the cost of various projects, the Tower Bridge visitor operations and the ability of our investments to raise sufficient income to undertake plans. The prudent management of unrestricted income funds has ensured that the charity has sufficient funds available to meet its primary objective - the support and maintenance of its five Thames bridges - alongside its ancillary purpose of charitable funding for the general benefit of the inhabitants of Greater London.



Income

Total income for 2021/22 was £34.1m, a reduction of £13.3m on the previous year (£47.4m). 2020/21's total income benefited from restricted grant income of £15.0m received towards the London Community Response Fund.

Following the lifting of pandemic-related restrictions, Tower Bridge tourism experienced a steady recovery in income. The income derived from visitor admissions, retail and events at Tower Bridge increased to £3.1m from the previous year's £0.5m. March 2022 enjoyed a boost in visitor admissions which had an impact on the full year results.

Investment income, made up of rental and other related income from the property portfolio and income from the financial investment holdings of the charity, totalled £30.4m, the same as was achieved in the previous year. Within this total, income received from financial investments increased due to the impacts of the reopening of economies at the beginning of the financial year alongside improved returns on private equity funds however there was a decrease in property rental income. The charity continued to support its tenants with offers such as rent-free periods, plus due to delayed completion of property refurbishment projects, alongside some tenants exercising lease breaks, void periods with no rental income increases.

The remainder of the charity's investment income comes from interest earned from monies placed on treasury deposits and social investments held, at £0.3m (2020/21: £0.9m). The reduction in interest income reflects lower returns available in the money markets, alongside there being net repayments made within social investments held.

Other income in 2020/21 included £0.8m in claims under the Government's Coronavirus Job Retention Scheme (CJRS) for staff who were furloughed due to the Covid-19 pandemic. With the phasing out of the CJRS, the amount receivable for 2021/22 totalled £0.2m.

Expenditure

Total expenditure for 2021/22 was £66.6m, a reduction of £23.0m on the previous year.

Expenditure on charitable activities comprises spend for supporting and maintaining the bridges, the operational costs of Tower Bridge as both a working bridge and a visitor attraction, and the charitable funding activities undertaken by BHE in the name of City Bridge Trust (CBT). In 2021/22, expenditure on charitable activities reduced to £49.0m from the previous year's £72.3m. There was an increase in spend supporting and maintaining the bridges with the commencement of the Blackfriars Bridge refurbishment project and other cyclical improvement works for all five bridges. An increase in Tower Bridge tourism spend reflected the increased visitor numbers following the lifting of pandemic-related restrictions. The overall reduction in charitable activities expenditure was attributable to the decrease in funding activities compared to the record high of commitments made in the previous year, which included grants awarded under the London Community Response Fund (LCRF) programme. A pause in grant-making, whilst an interim review of the Bridging Divides programme took place, led to this position.

In contrast to the above, expenditure on raising funds increased to £15.3m (2020/21: £15.0m). The increase was driven by fees relating to the management of the charity's financial investments, with these being based on the market value of assets under management which increased over the year. However, property investment expenditure reduced, following an improvement in the collection of rent arrears, with the release of £0.6m of bad debt provision previously provided.

Overall performance

The above-mentioned activities for the year resulted in an overall deficit of £32.5m (2020/21: £42.2m), prior to movements on investments held. Total gains of £104.5m were reported as at 31 March 2022, compared to £155.5m for the previous year. Financial investments

followed on from the previous year's record result with another strong performance with gains of £62.4m. There was a net gain on property investments of £42.3m as the property market experienced a significant improvement compared to the Covid-19 depressed property market as at March 2021. Further details on the performance of investments is stated on pages 19 - 20.

There was an unrealised loss of £0.2m on the social investment fund (2020/21: gain of £0.2m).

Funds held

Total funds held by the charity as at 31 March 2022, increased by £77.0m, representing 4.7%, to £1,720.2m (2021: £1,643.2m). Within total funds, £1,030.1m represent the permanent endowment funds which are held in perpetuity to generate income for the future activities of the charity. All income arising from the endowment fund is accounted for within unrestricted funds. Such income enables the charity to meet its primary purpose of maintaining and supporting the five river bridges across the Thames, with the remaining surplus income available to undertake the activities of CBT.

Restricted funds held as at year-end amounted to £0.5m (2021: £3.8m). Details of these are stated on page 55.

The unrestricted income funds of the charity include both the general fund (free reserves) and a number of designated funds. As at 31 March 2022, these funds totalled £689.6m (2021: £659.9m) being net of £25.0m held to cover the pension deficit (2021: £27.7m).

From the charity's unrestricted income funds, it has set aside or designated funds for specific purposes. At year-end, these designated funds totalled £494.8m (2021: £445.6m). To ensure the charity can meet future maintenance costs of its five bridges, £17.1m was transferred into the bridges repair fund increasing the total held at year-end to £56.2m (2021: £48.1m). This increase reflects the major project underway on Blackfriars Bridge, alongside the need to provide for inflationary pressures. A further £22.5m was transferred into the bridges replacement fund, giving a total of £191.2m (2021: £168.7m) held as at year-end to fund future rebuild costs. The balance on the grant-making fund at year-end was £210.3m (2021: £206.9m), a decrease of £3.4m.

During the year, the charity established a new designated fund to enable the charity to further progress and potentially accelerate delivery of its Climate Action Strategy (CAS). £15.0m was transferred into this fund.

Details of all funds held, including their purposes, is set out within Note 21 to the financial statements.

Reserves policy

The permanent endowment funds are held in perpetuity. It is the Trustee's policy to invest the assets of the charity held within this fund to retain the real value of the endowment, while also generating sufficient returns to fund the charity's primary purpose to maintain and support its five river bridges, whilst preserving both the 'real' value of the asset base and the purchasing power of the sums available for annual expenditure over the long term.

Any income surplus to that required to be applied to the charity's primary purpose is predominantly used to provide assistance in the form of grants to charitable organisations across Greater London. The level of funds available for charitable funding is monitored and adjusted to ensure compliance with the policy to preserve the 'real' value of the asset base.

The free reserves of the charity are held to cover working capital needs and a provision for unplanned urgent activities. The Trustee believes that an amount of £35m should be held for these purposes, although has approved that an additional amount of up to £55m (giving a total of £90m) should be held due to the uncertain economic conditions with high inflation and managing the aftereffects of Covid-19 pandemic. This amount is subject to at least annual review.

The charity is considering, within its governance review, adopting a total return basis for its permanent endowment fund – with this power being within the new Supplemental Royal Charter. With this approach, the charity's Trustee decides each year how much of the total return within the endowment fund can be released to income for spending against the objectives and how much is retained for investment.

Reserve levels held as at 31 March 2022 are set out in Note 21. The charity holds free reserves of £194.8m (2021: £214.3m). Amounts held are £104.8m above the current revised policy, following a strong performance during the year by the investments in which the unrestricted income funds are held. The Trustee remains cautious of the impacts of the uncertain economic climate on its investment portfolio, noting the potential risk of future realised losses and increase in property construction costs and continues to review the level of reserves held.

Remuneration policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. These expenses incurred by the Trustee in administering the charity are re-charged to BHE. The City Corporation is committed to attracting, recruiting and

retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of bonuses and recognition awards.
The above policy applies to staff within the charity's key management personnel, as defined within Note 11 to the financial statements.

Senior staff posts of the charity are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established by the City Corporation to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan. This also includes addressing the City Corporation's gender pay gap.

Fundraising

Section 162(1)(a) of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Although the charity does not undertake widespread fundraising activities, any such amounts receivable are presented in the financial statements as "voluntary income" including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fundraisers, or third parties. The day-to-day management of all income generation is undertaken by the CBT team, who are accountable to the Trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received no complaints in relation to fundraising activities in the current year (2020/21: nil). Individuals are not approached for funds hence the charity does not consider it necessary to design specific procedures to monitor such activities, including those designed to protect vulnerable people.

Principal risks and uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed and adopted by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Structural damage to Bridges Major structural damage to one of the bridges may cause it to become non-operational.	The City Surveyor's Department and Department of the Environment within the City Corporation work together (for the charity and in the discharge of the City Corporation's separate statutory and regulatory functions), alongside other bodies and stakeholders, to manage ongoing actions associated with this risk which includes potential structural damage as a result of issues such as a substantial vessel strike or through acts of terrorism. Possible impacts from the Thames Tideway tunnelling continue to be monitored. A 50-year maintenance plan is in place to manage on-going works.
Reputation Management A range of incidents both within and outside the direct control of the Trustee, may adversely impact upon the charity's operations, activities, and reputation. Ineffective delivery of responses to actual and/or potential events that damage the charity's reputation.	Operate a proactive strategic communications approach that positively promotes the BHE brand and the whole range of the charity's activities. Regularly review the Principal Risks register and current/future issues that could potentially expose the charity to adverse comment and initiate appropriate responses. When appropriate initiate the charity communications crisis response arrangements ensuring effective communication to both internal and external stakeholders and other relevant media channels.
Unsustainable financial position to meet objects Insufficient returns from investment activities are available to meet the charity's purposes, strategies and objectives. Continued high inflation leading to increased costs and hence additional demand from income.	Monitor investments held against the 'transitional' Investment Strategy. Implement a new Investment Strategy and regularly review to ensure that the investments are suitable and appropriately diverse (i.e. appropriate levels of asset allocation between asset types and within funds held by the charity). Continuation of ongoing financial scenario planning, with focus on ensuring sufficient liquidity is in place.
Failure to deliver BHE's strategy and organisational change Lack of support for BHE's strategic vision; insufficient capacity and resources to deliver strategy; poor communication/ collaboration within and between teams; lack of cohesive business plan to deliver strategic aims; lack of engagement from CoLC in implementing strategic decisions for organisational change within the CoLC as they affect BHE.	Deliver a detailed implementation plan for the charity's overarching strategy, Bridging London, and embed an appropriate strategic framework for Policies and plans are in place which support the delivery of the Strategy. Effective planning and implementation of a change management programme for the charity. Align BHE changes within the City Corporation's Target Operating Model process in accordance with the charity's best interests.

Risk	Actions to manage risks
Safeguarding Safeguarding requirements not embedded into all of the charity's activities, including lack of regular and effective safeguarding training for the Board and for all relevant staff; insufficient monitoring of safeguarding issues across operational delivery of strategies furthering the primary and ancillary objects.	Develop and embed a new bespoke Safeguarding Policy for the charity across all its activities and deliver ongoing general training to staff and the BHE Board in adopting the policy. Deliver further tailored/ specific training to teams within the charity to effectively monitor and manage safeguarding risks in their area of work.

Going concern

The financial statements of BHE have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the next 12-month period. The Trustee is satisfied that the charity could absorb significant changes in investment value with no impact on its ability to continue as a going concern. The charity's funds grew by £77m in the year to 31 March 2022, with funds available in liquid assets to meet any cash needs as they fall due.

Financial projections have been considered over the short-term, being a 3-year period, with the assumption that income levels will initially continue to be below normal expectations. Financial investments held have generated gains which have exceeded previous forecasts although this is not a guaranteed portrayal of future performance, with the early months of 2022/23 showing a decline in valuation. The primary purpose of the charity is to meet the needs of the charity's five Thames bridges, ensuring that adequate funds have been set aside to cover both their short and long-term needs. The Trustee continues to be satisfied that it will have the necessary resources to meet these needs, with sufficient funds available as at 31 March 2022 to make the necessary transfers to designated funds for these purposes, based on current requirements. The ancillary purpose of BHE is undertaken only where surplus income is available after responsibilities relating to the Bridges have been met, as stated on page 5, and the charity continues to be able to fund both its responsibilities for the Bridges and its ancillary purpose. However, should it be required, this method of operation provides flexibility to the charity when approving future plans. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Dr Giles Shilson
Chairman of BHE Board

Paul Martinelli
Deputy Chairman of BHE Board

Guildhall, London

XX January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF BRIDGE HOUSE ESTATES

Opinion

We have audited the financial statements of Bridge House Estates ('the charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustee with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustee's responsibilities statement set out on page 28, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including internal specialists. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and Health and Safety Legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and

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regulations to enquiry of the Trustee and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, the valuation of financial investments and investment properties and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, legal counsel and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates including those specific to the investment valuations for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustee in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee for our audit work, for this report, or for the opinions we have formed.

Crowe U.K. LLP
Statutory Auditor
London, UK

xx January 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES

For the year ended **31 March 2022**

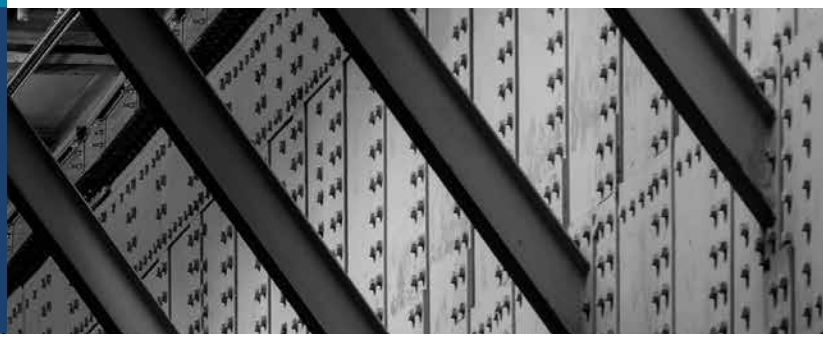


	Notes	Unrestricted Funds £m	Restricted Funds £m	Endowment Funds £m	2021/22 Total Funds £m	2020/21 Total Funds £m
Income and Endowments from:						
Voluntary income	2	–	0.2	–	**0.2**	15.4
Charitable activities	3	3.1	–	–	**3.1**	0.5
Investments	4	30.4	–	–	**30.4**	30.4
Other income	5	0.4	–	–	**0.4**	1.1
Total Income		**33.9**	**0.2**	**–**	**34.1**	47.4
Expenditure on:						
Raising funds	6	14.9	**–**	0.4	**15.30**	15.0
Charitable activities						
Repair and maintenance of bridges		9.8	–	–	**9.8**	9.4
Tower Bridge tourism		4.7	–	–	**4.7**	4.3
Charitable funding		31.0	3.5	–	**34.5**	58.6
Total charitable activities	7	**45.5**	**3.5**	–	**49.0**	72.3
Other						
Net pension scheme costs	19	2.3	–	–	**2.3**	2.3
Total Expenditure		**62.7**	**3.5**	**0.4**	**66.6**	89.6
Net (expenditure) before gains/(losses) on investments		**(28.8)**	**(3.3)**	**(0.4)**	**(32.5)**	(42.2)
Net gains/(losses) on property investments	13	–	–	42.3	**42.3**	(23.4)
Net gains on financial investments	14	53.7	–	8.7	**62.4**	178.7
Net (losses)/gains on social investments	15	(0.2)	–	–	**(0.2)**	0.2
Total gains on Investments		**53.5**	**–**	**51.0**	**104.5**	155.5
Net income/(expenditure) after gains/ (losses) on investments		**24.7**	**(3.3)**	**50.6**	**72.0**	113.3
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension scheme	19	5.0	–	–	**5.0**	(6.5)
Net movement in funds		**29.7**	**(3.3)**	**50.6**	**77.0**	106.8
Reconciliation of funds:						
Fund balances brought forward at 1 April 2021		**660.0**	**3.8**	**979.5**	**1,643.2**	1,536.4
Total funds carried forward	21	**689.7**	**0.5**	**1,030.1**	**1,720.2**	1,643.2

All of the above results are derived from continuing activities.
There were no other recognised gains and losses other than those shown above.
The notes on pages 35 to 59 form part of these financial statements.

BALANCE SHEET

As at **31 March 2022**



	Notes	2022 Total £m	2021 Total £m
Fixed assets:			
Tangible assets	12	**3.1**	3.1
Investment properties	13	**888.1**	843.8
Financial investments	14	**879.5**	834.0
Social investment fund	15	**8.6**	9.1
Total fixed assets		**1,779.3**	1,690.0
Current assets			
Stock		**0.2**	0.3
Debtors	16	**11.3**	11.7
Short term investments and deposits	14	**26.9**	38.0
Cash at bank and in hand		**4.1**	4.5
Total current assets		**42.5**	54.5
Creditors: Amounts falling due within one year	17	**(47.4)**	(44.8)
Net current (liabilities)/assets		**(4.9)**	9.7
Total assets less current liabilities		**1,774.4**	1,699.7
Creditors: Amounts falling due after more than one year	18	**(29.1)**	(28.8)
Net assets excluding pension scheme liability		**1,745.2**	1,670.9
Defined benefit pension scheme liability	19	**(25.0)**	(27.7)
Total net assets	20	**1,720.2**	1,643.2
The funds of the charity:			
Permanent endowment funds		**1,030.1**	979.5
Restricted funds		**0.5**	3.8
Designated funds		**494.8**	445.6
General funds		**194.8**	214.3
Total funds	21	**1,720.2**	1,643.2

The notes on pages 35 to 59 form part of these financial statements

Approved and signed on behalf of the Trustee

Caroline Al-Beyerty
Chamberlain of London and Chief Financial Officer
xx January 2023



STATEMENT OF CASH FLOWS

For the year ended **31 March 2022**



	Notes	2021/22 Total £m	2020/21 Restated Total £m
Cash flows from operating activities:			
Net cash (used in) operating activities	22	(56.7)	(68.1)
Cash flows from investing activities:			
Dividends, interests and rents from investments		30.0	30.2
Additions to short term deposits		(58.2)	(84.9)
Proceeds from sale of short term deposits		69.3	96.3
Sale of investment property		24.7	14.3
Purchase of property		(26.7)	(26.6)
Additions to Social Investments		(1.0)	(0.6)
Social Investments repayments		1.3	4.3
Additions to financial investments		(136.1)	(60.5)
Proceeds from sale of financial investments		153.0	92.4
Net cash provided by investing activities		56.3	64.9
(Decrease) in cash in the year		(0.4)	(3.2)
Change in cash and cash equivalents in the reporting period		(0.4)	(3.2)
Cash and cash equivalents at the beginning of the reporting period		4.5	7.7
Cash and cash equivalents at the end of the year	23	4.1	4.5

NOTES TO THE FINANCIAL STATEMENTS



1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

a. Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified for the revaluation of investment property and financial investments measured at fair value, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

The City Corporation is Trustee of the charity, with officers of the City Corporation providing administrative services for both the charity and other Funds for which it is responsible. All assets, liabilities, income and costs are accounted for by the charity individually. Where required, costs are apportioned based on actual activity of the charity. Please see Note 1 (c) (vi) below for further explanation.

The Financial Statements are presented in sterling which is the functional currency of the charity.

b. Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. A rolling annual review of the charity's forecast financial position over a five-year period is carried out to confirm that sufficient income funds will be generated to finance required expenditure on the bridges with any available surplus funds allocated to charitable funding.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. Financial projections have been considered over the short-term assuming that income levels will continue to be below former expectations, with some of the investments held unlikely to generate gains in line with previous financial years results. The primary purpose of the charity is to meet the needs of the bridges, ensuring that adequate funds have been set aside to cover both the short and long-term. The Trustee is satisfied that it will have the necessary resources to meet these needs. For this reason, and as set out in the Trustee's report above on page 28 the Trustee continues to adopt a going concern basis for the preparation of the financial statements

c. Critical accounting judgements and assumptions

Key accounting judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following are the significant judgements that have been made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements:

i. Valuation of investment properties

Investment properties are properties ultimately owned by the charity and are held for capital appreciation, rental income, or both. They are valued at each balance sheet date at fair value as determined by professionally qualified internal and external valuers.

Valuations are calculated, in accordance with "RICS Valuation – Global Standards 2020" together with the UK National Supplement (the "RICS Red Book") current edition at valuation date. The valuations apply market capitalisation rates to future rental cash flows with reference to data from comparable market transactions together with an assessment of the security of income.

Where lease premia or costs relating to rent free periods are recognised in advance of the related cash flows, an adjustment is made to ensure that the carrying value of the relevant property, including accrued or deferred income, does not exceed the fair value as assessed by the external valuers.

The outbreak of Covid-19, declared by the World Health Organisation as a global pandemic on 11 March 2020, continues to impact on the global economy. Property markets are functioning again, with adequate transaction volumes providing market evidence upon which to base opinions of value. Accordingly, valuations are not reported as being subject to 'material valuation uncertainty' as defined by the RICS Red Book Global, which contains mandatory rules, best practice guidance and related commentary for all RICS members undertaking asset valuations.

In considering the specific portfolio of 66 assets which the charity holds, the valuers have not identified any assumptions that provide a material impact on a single or sub-group of those assets which were specifically sensitive to the impacts of the pandemic and which were relevant to the judgments applied as at 31 March 2022.

ii. Investment property disposals

When accounting for the disposal of long leaseholds of investment properties, the charity utilises the methodology as set out within the RICS Professional Standards ("the Red Book") in apportioning values between land and buildings. This includes a number of factors such as insurance values and future construction costs, which are subject to judgement.

iii. Valuation of financial investments

Within financial investments are amounts invested in private equity fund vehicles. These funds are valued by the fund managers based on a number of assumptions, some of which are based on non-observable inputs (such as discounts applied either to reflect changes in the fair value of financial assets or to adjust earnings multiples).

iv. Valuation of social investments

Unquoted social investments are in some cases internally valued, and management is required to make certain judgemental assumptions. Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the charity is able to obtain a reliable estimate of fair value.

v. Defined benefit pension scheme

The charity has an obligation to pay pension benefits to those working for it. The cost of these benefits and the present value of the obligation depend on a number of factors, including: life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See Note 19 for the disclosures relating to the defined benefit pension scheme, alongside further detail on the sensitivity of assumptions made.

The Pension Fund is the responsibility of the City Corporation as a corporate body exercising its functions including as Trustee of BHE, and the charity does not have an exclusive relationship with the City of London Pension Fund. Although the proportion of the Pension Fund that relates to City Corporation employee members engaged on BHE activities is not separately identifiable, *an estimated share* of the total Pension Fund net deficit has been allocated to BHE based on employer's pension contributions paid into the Fund by BHE as a proportion of total employer's contributions paid.

vi. Allocation of support costs

Support costs, incurred by the City Corporation on behalf of the charity, are allocated on a cost recovery basis to the charity. Human resources and digital services are apportioned on headcount basis. Legal support and public relations are allocated per usage, premises costs are allocated on space occupied basis, accounting services costs are allocated on the basis of time spent and number of invoices processed with committee administration costs allocated on the basis of the number of committees overseeing the charity's activities.

d. Income and expenditure

All income is included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income; it is probable that the economic benefit associated with the transaction will come to the charity and the amount can be measured reliably. Income consists of fees and charges from the tourism operation at Tower Bridge, grants income, income from property (see policy g below) and financial investments and income on money market deposits held.

Grant income - Grant income is accounted for on a receivable basis when there is evidence of entitlement to the grant, receipt is probable, and the amount of the grant can be measured reliably.

Tower Bridge tourism fees and charges - Income included under this heading includes admissions fees, events income, retail and filming fees, all of which are recognised in the period to which the income relates.

Investment property income - Income is recognised on an accrual basis and on a straight-line basis (Note (1) (g)).

Financial investments income – consists of dividend and interest which are recognised when receivable.

Other income - is recognised in the period in which the charity becomes entitled to receipt.

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds', 'expenditure on charitable activities' and 'other expenditure'.

Expenditure on raising funds comprises those related to management of the investment property portfolio and financial investments, including apportioned support costs. The element of costs relating to property and financial investments that are attributable to maintaining the capital value of the endowment are charged to that fund, with the balance of these costs coming from the unrestricted income fund.

Expenditure on charitable activities comprises repair and maintenance of the bridges, those related to the operation of the Tower Bridge tourist attraction, alongside grant-making, including apportioned support costs.

Grants are recognised as expenditure at the point at which an unconditional commitment is made, with notification made in writing to the grantee, and where the liability can be quantified with reasonable certainty. Where the payment is planned to be more than 12 months after the reporting date of the charity's accounts, the charity reviews the present value of future payments and considers whether the effective financing cost is material to the charity's reporting. If so, the financing charge is disclosed in the SOFA. Otherwise, the unadjusted value of the grant awarded is shown within creditors. In 2021/22 the charity does not consider the effective financing cost of future payments as material, and no adjustment has been made.

Governance costs include the costs of governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in the activities undertaken. These include external audit, internal audit and costs associated with constitutional and statutory requirements such as the cost of Trustee meetings.
Support costs (including governance costs) include activities undertaken by the City Corporation on behalf of the charity, such as human resources, technology, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is set out in Note 10.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid, with details provided in Note 11.

e. Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are valued at the year-end rate of exchange. All gains or losses on translation are taken to the Statement of Financial Activities in the year in which they occur.

f. Pension costs

Defined benefit scheme

The Trustee operates a funded defined benefit pension scheme for its staff employed on its activities, which includes staff acting for the Trustee on behalf of Bridge House Estates. The original scheme is based on final salary and length of service on retirement. Changes to the Scheme came into effect from 1 April 2014 and any benefits accrued from this date are based on career average revalued salary, with various protections in place for those members in the Scheme before the changes took effect.

For the defined benefit scheme the amounts charged within expenditure are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on the assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The assets of the scheme are held separately from those in the charity and are invested by independent fund managers appointed by the Trustee. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis by a qualified actuary using the projected unit method and discounted at a

rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after net assets on the face of the balance sheet.

g. Operating leases – Bridge House Estates as the lessor

Assets subject to operating leases are included in the Balance Sheet according to the nature of the assets. Rental income from operating leases, excluding charges for services such as insurance and maintenance, are recognised on a straight-line basis until the next rent review, even if the payments are not received on this basis, unless another method is more representative of the time pattern in which the benefits derived from the leased asset are diminished. Rent- free periods are allocated over the term of the lease.

Where rent concessions have been granted because of the Covid-19 pandemic, these have included the forgiveness of a portion of or all lease payments for an agreed period (i.e. a temporary rent reduction or rent holiday). These concessions have been recognised over the periods that the change relate to, in accordance with amendments to FRS 102 issued in October 2020.

h. Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

i. Fixed assets

Tangible fixed assets

Assets that are capable of being used for more than one year and have a cost greater than £50,000 are capitalised. Such assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is charged from the year following that of acquisition, on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

Computer software	3 years
Computer and other equipment	5 years
Fixtures and fittings	8-20 years
Operational assets	10-30 years

Land is not depreciated.

Where a fixed asset (other than freehold land) is not depreciated or has a life of more than 50 years, an annual impairment review is carried out.

Heritage assets

In recognition of the historical and cultural nature of the five bridges maintained by the charity, these are considered to be heritage assets in line with the definition within FRS 102. The bridges are also considered to be inalienable (i.e. they may not be replaced or disposed of without specific statutory powers). A valuation of the bridges, and certain strategic properties integral to the operation of Tower Bridge, is not included in these accounts as the Trustee does not consider that relevant cost or valuation information can be obtained at a cost commensurate with the benefit to readers of the financial statements. This is because of the unique nature of the assets held, the lack of reliable cost information held and the lack of comparable market values. The insured value, with cover being for all risks, of the five bridges at 31 March 2022 was £1,034.2m (2021: £944m). All significant repair and refurbishment costs related to the bridges are expensed within the SOFA in line with expenditure policy 1 (d).

Investment properties

Investment properties for which fair value can be measured reliably on an on-going basis are measured at fair value annually with any change recognised in the Statement of Financial Activities. The valuations are estimated by appropriately qualified professional valuers.

No depreciation or amortisation is provided in respect of freehold or leasehold investment properties.

Financial investments

i. Quoted investments

Quoted investments comprise publicly quoted, listed securities including shares, bonds and units. Quoted investments are stated at fair value at the balance sheet date. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade.

ii. Unquoted investments

Private equity investments are valued at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines (2018). Valuations include assumptions based on non-observable market data, such as discounts applied either to reflect changes

in the fair value of financial assets or to adjust earnings multiples. Where a valuation is not available at the balance sheet date, the most recent valuation is used, adjusted for cashflows and foreign exchange movements and any impairment between the most recent valuation and the balance sheet date. These valuations are provided by fund managers and are subject to either independent valuation or annual audit.

iii. Cash held by fund managers

The fund managers utilised by the charity may hold investments in the form of cash from time to time when making transactions. These amounts are recognised within investments due to the intention to reinvest.

Social investments

Social investments that are loans are accounted for at the outstanding amount of the loan less any provision for unrecoverable amounts. Unquoted equity, social investment funds and partnerships, and similar social investments are held at cost, less any provision for diminution in value, unless the charity is able to obtain a reliable estimate of fair value.

j. Stocks

Stocks are valued at the lower of cost or net realisable value. All stocks are finished goods and are held for resale as part of the Tourism operation at Tower Bridge.

k. Cash

Cash and cash equivalents include cash in hand, short term deposits and other instruments held as part of the Corporation's treasury management activities with original maturities of three months or less and, if any, overdrafts.

l. Financial assets and liabilities

Since the charity only has financial instruments which qualify as basic financial instruments, it has chosen to adopt Section 11 of FRS 102 in respect of financial instruments. Financial assets and liabilities, including debtors and creditors, are recognised when the charity becomes party to the contractual provisions of the instrument. Additionally, all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost. Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the charity has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

m. Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purposes of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

2. Income from voluntary activities

	Restricted Income Funds £m	**Total 2021/22 £m**	Restricted Income Funds £m	Total 2020/21 £m
Grant income	0.2	**0.2**	15.4	15.4
	0.2	**0.2**	15.4	15.4

Previous year's Restricted Income included £15.0m received for the London Community Response Fund from various funders.

3. Income from charitable activities

	Unrestricted Income Funds £m	**Total 2021/22 £m**	Unrestricted Income Funds £m	Total 2020/21 £m
Tower Bridge tourism fees and charges	3.1	**3.1**	0.5	0.5
	3.1	**3.1**	0.5	0.5

4. Income from investments

	Unrestricted Income Funds £m	**Total 2021/22 £m**	Unrestricted Income Funds £m	Total 2020/21 £m
Investment property	26.2	**26.2**	27.0	27.0
Financial investments	3.9	**3.9**	2.5	2.5
Interest receivable	0.3	**0.3**	0.9	0.9
Total Investment income	**30.4**	**30.4**	30.4	30.4

All investments are held to provide an investment return to the charity.

5. Other income

	Unrestricted Income Funds £m	**Total 2021/22 £m**	Unrestricted Income Funds £m	Total 2020/21 £m
Other income	0.2	**0.2**	0.3	0.3
Government grants	0.2	**0.2**	0.8	0.8
	0.4	**0.4**	1.1	1.1

Government grants covers claims from HMRC under the Government's Coronavirus Job Retention Scheme (CJRS) for staff who were furloughed due to the Covid-19 pandemic. There are no unfulfilled conditions or other contingencies relating to this grant income and no other forms of government assistance were received in the year.

6. Expenditure on raising funds

	Direct costs £m	Support costs £m	**Total 2021/22 £m**	Direct costs £m	Support costs £m	Total 2020/21 £m
Investment property expenses	5.8	2.6	**8.4**	6.0	3.1	9.1
Financial investment expenses	6.7	0.2	**6.9**	5.9	–	5.9
	12.5	**2.8**	**15.3**	11.9	3.1	15.0

Of the total expenditure on raising funds, £14.9m (2020/21: £14.6m) relates to the unrestricted income fund and £0.4m (2020/21: £0.4m) to the endowment fund.

Investment property expenses - staff costs, repairs and maintenance costs, and professional fees relating to the management of the investment property portfolio.

Financial investment expenses - fees paid to fund managers. An allocation of support costs has been included against this activity.

7. Expenditure on charitable activities

	Direct costs £m	Support costs £m	**Total 2021/22 £m**	Direct costs £m	Support costs £m	Total 2020/21 £m
Repair and maintenance of bridges	9.0	0.8	**9.8**	8.8	0.6	9.4
Tower Bridge tourism	3.9	0.8	**4.7**	3.5	0.8	4.3
Charitable funding	33.3	1.2	**34.5**	57.4	1.2	58.6
	46.2	2.8	**49.0**	69.7	2.6	72.3

Repair and maintenance of bridges - staff costs, repairs and maintenance, insurance, equipment and materials costs relating to the Thames River bridges maintained by the charity.

Tower Bridge tourism - staff costs and other expenses related to the management and operation of the Tower Bridge tourist attraction.

Charitable funding - grants awarded in the name of CBT, the grant-making arm of the charity, for purposes benefiting the inhabitants of Greater London. Direct costs include net grants awarded of £29.8m (2020/21: £54.7m) and costs of administering the grants process of £3.5m (2020/21: £2.7m).

8. Charitable funding

During the year ended 31 March 2022, grants were awarded to institutions under the following programmes:

	2021/22 £m	2020/21 £m
Bridging Divides:		
Core activities	13.0	25.3
Strategic Initiatives	14.2	1.1
London Community Response Fund	2.9	28.3
Stepping Stones Fund	0.2	0.4
CBT 20th Anniversary Grants	-	0.1
Charitable funding	30.3	55.2
Charitable funding adjustments and cancellations	(0.5)	(0.5)
Net charitable funding	29.8	54.7
Other charitable funding related activities	3.5	2.7
	33.3	57.4

Grants were made to 251 organisations in the year (2020/21: 1,617), supporting 278 projects (2020/21: 2,031). The average amount of a grant equalled £109,326 (2020/21: £27,171). The reduction in the number of organisations supported and increase in average value of grant funding in 2021/22 is due to the focus in the previous year on the London Community Response Fund driving low value, high volume funding activity. All grantees receiving funding must work for the benefit of inhabitants of Greater London and have to meet stated eligibility criteria. Grants are not given directly to individuals.

Details of all the grants approved are shown on the CBT website www.citybridgetrust.org.uk, within the News & events section, including organisation name, amount given and purpose of the award.

Reconciliation of grants payable:

	2021/22 £m	2020/21 £m
Commitments at 1 April	46.6	43.3
Commitments made in the year	30.3	55.2
Charitable funding adjustments and cancellations	(0.5)	(0.5)
Charitable funding paid during the year	(28.3)	(51.4)
Commitments at 31 March	48.1	46.6

Outstanding grant commitments at 31 March 2022 are payable as follows:

	2021/22 £m	2020/21 £m
Within one year (note 19)	32.6	31.5
After more than one year (note 20)	15.5	15.1
Commitments at 31 March	48.1	46.6

The split of future payment dates is based upon contractual terms, which may relate to multi-year commitments.

9. Net income for the year

Net income is stated after charging:

	2021/22 £m	2020/21 £m
Auditors remuneration for the audit of the financial statements	**75,000**	78,000
Additional fees incurred for the audit of 2020/21 financial statements	**9,000**	-
Depreciation	**262,873**	313,492

10. Support costs

Support costs include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity on the basis of resources consumed by the respective activities as follows:

	Tourism £m	Investment Property £m	Financial Investments £m	Bridges £m	Grants £m	Governance £m	2021/22 £m	2020/21 £m
Department:								
Chamberlain	–	0.3	0.1	0.1	–	–	**0.5**	0.4
Comptroller & City Solicitor	–	0.1	–	0.1	0.1	–	**0.3**	0.2
Town Clerk	0.1	–	–	–	0.2	0.2	**0.5**	0.4
City Surveyor	–	2.0	–	0.2	–	–	**2.2**	2.5
Built Environment	–	–	–	0.1	–	–	**0.1**	0.1
Culture, Heritage & Libraries	0.1	–	–	–	–	–	**0.1**	0.2
Digital Services	0.2	–	–	–	0.2	–	**0.4**	0.7
Premises costs	0.1	–	–	0.1	0.2	–	**0.4**	0.4
BHE Central costs	0.1	0.1	0.1	0.1	0.4	–	**0.8**	–
Other	0.1	0.1	–	–	–	0.1	**0.3**	0.8
Sub-total	0.7	2.6	0.2	0.7	1.1	0.3	**5.6**	5.7
Reallocation of governance costs	0.1	–	–	0.1	0.1	(0.3)	**–**	–
Total Support costs	0.8	2.6	0.2	0.8	1.2	–	**5.6**	5.7

All support costs are undertaken from unrestricted funds. Governance costs are allocated on the basis of FTE staff within each activity. An allocation of support costs has been included against Financial Investments in 2021/22. Costs for management and administration support services provided directly to the charity are included in BHE Central costs.

11. Details of staff costs

All staff that work on behalf of the charity are employed by the City Corporation. The average full-time equivalent number of people directly undertaking activities on behalf of the charity during the year was:

	2021/22 Number	2020/21 Number
Investment properties	9	11
Tower Bridge tourism	49	50
Repair & maintenance of bridges	31	29
Grants team	34	36
Administration	8	4
	131	130

The above figures are for the FTE average number of staff rather than the average number of employees on an annual basis due to the City Corporation employing all staff. FTE is based on the activities undertaken on behalf of the charity.

In addition, support staff are charged to the charity on the basis described within Note 10. The full-time equivalent number of support service staff charged is 56.7 (2020/21: 61.1).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22 £m	2020/21 £m Restated
Salaries and wages	5.5	5.4
National Insurance costs	0.6	0.5
Employer's pension contributions	1.0	0.9
Total emoluments of employees	7.1	6.8

Salaries and wages for 2020/21 have been restated to include £0.4m for staff in newly created departments within the charity.

The number of directly charged employees whose emoluments for the year were over £60,000 was:

	2021/22	2020/21
£60,000 – £69,999	7	6
£70,000 – £79,999	2	2
£80,000 – £89,999	–	1
£90,000 – £99,999	2	1
£120,000 – £129,999	1	1
	12	11

All employees paid over £60,000 have retirement benefits accruing under the defined benefit scheme.

Remuneration of Key Management Personnel

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee, senior officers employed by the City Corporation and key members of the BHE leadership team. The senior officers of the City Corporation include the Town Clerk and Chief Executive, Chamberlain, Comptroller and City Solicitor, and the City Surveyor. These officers work on a number of the City Corporation's activities and their salaries and associated costs are allocated to the activities under its control, including BHE, on the basis of employee time spent on the respective services, as stated within Note 11. Further details on this can be found within the Annual Report for City Fund. The key members of the BHE leadership team included within Key Management Personnel comprise the Managing Director, Finance Director, Chief Operating Officer, Associate Director of CBT, Philanthropy Director and Director of Communications and Engagement.

Total employment benefits, including employer pension contributions and employer national insurance contributions for key management personnel in 2021/22 was £351k (2020/21: £259k). The increase is due to the establishment of the BHE leadership team in January 2022.

The highest paid role is the Managing Director of BHE, with total employment benefits, including employer pension contributions and employer national insurance contributions in 2021/22 being £173k. This role was not in place during 2020/21, with the highest paid role being the Chief Grants Officer and Director of CBT with equivalent cost being £168k.

No Members received any remuneration for time spent on BHE matters with directly incurred expenses reimbursed, if claimed. No expenses were claimed in 2021/22 from the charity (2020/21: Nil).

12. Tangible fixed assets

	Computers & other equipment £m	Fixtures & fittings £m	Leasehold improvements £m	Total £m
Cost				
At 1 April 2021	0.6	2.4	4.2	7.2
Additions	0.1	0.1	0.1	0.3
Disposals	–	–	–	–
At 31 March 2022	**0.7**	**2.5**	**4.3**	**7.5**
Depreciation				
At 1 April 2021	0.4	1.3	2.4	4.1
Charge for the year	0.1	0.1	0.1	0.3
Disposals	–	–	–	–
At 31 March 2022	**0.5**	**1.4**	**2.5**	**4.4**
Net book value				
At 31 March 2022	**0.2**	**1.1**	**1.8**	**3.1**
At 31 March 2021	0.2	1.1	1.8	3.1

13. Investment properties

	2022 £m	2021 £m
Market value at 1 April	**843.8**	854.9
Purchases and improvements	**26.7**	26.6
Book value of disposed assets	**(17.4)**	(14.8)
Total unrealised gains/(losses)*	**35.0**	22.9
Market value at 31 March	**888.1**	843.8

* Includes rent free adjustment of £4.4m (2020/21: £3.7m).

The net gain on property investments is arrived at as follows:

	2022 £m	2021 £m
Total unrealised gains/(losses)	**35.0**	(22.9)
Realised gains/(losses) on disposal	**7.3**	(0.5)
	42.3	(23.4)

A full valuation was performed as at 31 March at market values determined in accordance with the RICS Valuation – Professional Standards ("the Red Book"). This was undertaken by C&W(UK) LLP and Savills (UK) Ltd, chartered surveyors, acting as independent valuers. The carrying values of investment properties are primarily dependent on judgements of such variables as the state of the markets, location, condition of the properties and various indices.

As many of the investment properties were gifted to the charity and others were acquired centuries ago, it is impracticable to provide historical cost information. It has therefore been assumed that the historical cost is nil. The properties are all situated in Greater London.

The charity determines its valuation policies and procedures and is responsible for overseeing the valuations. Valuations performed by the charity's independent external valuers are based on information extracted from the charity's financial and property reporting systems, such as current rents and the terms and conditions of lease agreements, together with assumptions used by valuers (based on market observation and their professional judgement) in their valuation models.

14. Financial investments

Total financial investments as at 31 March are split as follows:

	2022 £m	2021 £
Long term investments	879.5	834.0
Short term investments:		
- short term deposits and money market funds	18.4	28.9
- short term investments in hands of fund managers	8.5	9.1
	26.9	38.0
Total investments at 31 March	906.4	872.0

	2022 £m	2021 £m
Investments held by fund managers		
Market value 1 April	834.0	687.2
Additions to investments at cost	136.1	60.5
Disposals at market value	(153.0)	(92.4)
Gain from change in fair value	62.4	178.7
Investments at 31 March	879.5	834.0
Cash investments		
Investments at 1 April	38.0	49.4
Additions to investments at cost	58.2	84.9
Disposals at market value	(69.3)	(96.3)
Investments at 31 March	26.9	38.0
Total investments at 31 March	906.4	872.0

The geographical spread of investments at 31 March was as follows:

	Held in the UK £m	Held outside the UK £m	Total at 31 March 2022 £m	Total at 31 March 2021 £m
Fixed Interest	18.4	41.7	60.1	61.0
Index Linked	35.4	10.9	46.3	45.0
Pooled units	125.9	528.8	654.7	626.3
Listed equities	28.5	29.9	58.4	53.8
Managed funds	8.5	–	8.5	9.1
Private equity	4.0	21.5	25.5	28.4
Infrastructure	–	52.9	52.9	48.4
	220.7	685.7	906.4	872.0

The majority of the charity's financial investments are held in mutual funds operated by professional asset managers whereby the charity's assets are pooled with other investors and invested in equities, bonds and other securities. These investment assets are termed "pooled units" in the above table.

15. Social Investment Fund

	Value as at 1 April 2021 £m	Drawn down £m	Repaid £m	Investment (loss) £m	**Value as at 31 March 2022 £m**
Investment Fund	3.0	0.5	–	(0.2)	**3.3**
Loan	1.2	0.2	(0.4)	–	**1.0**
Bond	2.3	–	(0.9)	–	**1.4**
Property Fund	2.6	0.3	–	–	**2.9**
	9.1	1.0	(1.3)	(0.2)	**8.6**

The geographical spread of social investments at 31 March was as follows:

	Held in the UK £m	Held outside the UK £m	**Total at 31 March 2022 £m**	Total at 31 March 2021 £m
Investment Fund	3.1	0.2	**3.3**	3.0
Loan	1.0	–	**1.0**	1.2
Bond	1.4	–	**1.4**	2.3
Property Fund	2.9	–	**2.9**	2.6
	8.4	0.2	**8.6**	9.1

At the year-end £1.3m (2020/21: £2.6m) had been committed but remained undrawn, making a total promised of £9.9m (2020/21: £12.5m). Details of all investments placed are shown on the City Bridge Trust website www.citybridgetrust.org.uk.

16. Debtors

	2022 £m	2021 £m
Debtors - amounts due in less than one year		
Trade debtors	**0.5**	0.1
Rental debtors	**2.6**	3.8
Prepayments & accrued income	**3.5**	4.1
Sundry debtors	**0.3**	–
	6.9	8.0

	2022 £m	2021 £m
Debtors - amounts due in more than one year		
Rental debtors	**4.4**	3.7
	4.4	3.7
Total debtors	**11.3**	11.7

17. Creditors – amounts falling due within one year

	2022 £m	2021 £m
Grants payable (note 8)	32.6	31.5
Trade creditors	1.6	1.2
Accruals	3.9	2.2
Deferred income	6.0	6.2
Rent deposits	3.0	3.3
Other creditors	0.3	0.4
	47.4	44.8

Deferred income comprises property rental income and lease premiums received in advance.

	2022 £m	2021 £m
Deferred income analysis within creditors:		
Balance at 1 April	6.2	6.3
Amounts released to income	(6.2)	(6.4)
Amounts deferred in the year	6.0	6.3
Balance at 31 March	6.0	6.2

18. Creditors – amounts due after more than one year

	2022 £m	2021 £m
Grants payable (note 8)	15.5	15.1
Deferred income	11.8	11.9
Other creditors	1.8	1.8
	29.1	28.8

	2022 £m	2021 £m
Deferred income – due after more than one year:		
Balance at 1 April	11.9	11.9
Amounts transferred to less than one year	(1.7)	(1.7)
Amounts deferred in the year	1.6	1.7
Balance at 31 March	11.8	11.9

Deferred income relates to lease premiums that will be released over periods of up to 163 years.

19. Pensions

City of London Corporation defined benefit pension scheme

The City Corporation operates a funded defined benefit pension scheme, The City of London Pension Fund, for its staff employed on activities relating predominantly to the three principal funds for which it is responsible (City Fund, City's Cash and Bridge House Estates).

The assets of the scheme are held in a specific trust separately from those of the Corporation and contributions are paid to the scheme as agreed with the scheme's Trustees. As the proportion of the Pension Fund deficit that relates to Bridge House Estates is not separately identifiable, the share of pension contributions paid to the scheme by the charity is calculated pro-rata to employer's contributions paid by each of the City Corporation contributors to the scheme. Further details can be found in the Annual Report of City Fund.

Accounting for the defined benefit scheme under IAS19

The full actuarial valuation of the defined benefit scheme was updated to 31 March 2021 by an independent qualified actuary in accordance with IAS19. As required by IAS19, the defined benefit liabilities have been measured using the projected unit method. The valuation has been completed under IFRS, in line with the City Fund requirements, rather than under FRS102, with no material differences between the two accounting standards identified.

The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The return on equities is then assumed to be a margin above gilt yields.

The estimated amount of total employer contributions expected to be paid to the scheme by the charity during 2021/22 is £965,000 (2020/21 actual: £914,000). This figure is calculated pro-rata to total contributions that will be payable by the City Corporation in accordance with the Schedule of Contributions towards the scheme's deficit.

Barnett Waddingham LLP, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The actuary will carry out the next triennial actuarial assessment of the scheme as at 31 March 2022 during 2022/23, which will set contributions for the period from 1 April 2023 to 31 March 2026.

a) Major assumptions by the actuary

Financial

The financial assumptions used for the purposes of the FRS102 calculations are as follows:

Assumptions as at:	2022 % p.a.	2021 % p.a.	2020 % p.a.	2019 % p.a.
CPI increases	3.3	2.9	1.9	2.4
Salary increases	4.3	3.9	2.9	3.9
Pension increases	3.3	2.9	1.9	2.4
Discount rate	2.6	2.0	2.4	2.4

Life expectancy

The demographic assumptions used are consistent with those used for the most recent Fund valuation (31 March 2019), except for the post-retirement mortality assumptions which have been updated in light of the coronavirus pandemic. The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)		2022	2021
Age 65 retiring today	Males	21.6	21.6
	Females	24.3	24.3
Retiring in 20 years	Males	23.0	22.9
	Females	25.8	25.7

Sensitivity analysis

The sensitivity of the liabilities to changes in the key assumptions used to measure the Pension Scheme's liabilities is shown in the table below:

Sensitivity analysis	Change to assumptions %	Impact on liabilities: Increase £m	Impact on liabilities: Decrease £m
Salary increases	+/- 0.1	0.1	(0.1)
Life expectancy	+/- 0.1	2.8	(2.6)
Discount rate	+/- 0.1	(1.3)	1.3

b) Amounts included in the balance sheet

The amounts included in the charity's balance sheet arising from the City Corporation pension scheme's liabilities in respect of the defined benefit scheme for the current and previous two periods are as follows:

	2022 £m	2021 £m	2020 £m
Fair value of assets (bid value)	38.0	35.6	28.3
Fair value of liabilities	63.0	63.3	47.2
Net liability in balance sheet	25.0	27.7	18.9

The net pension fund liability represents 3% (2019/20: 3%) of the total net balance sheet liability in the City Corporation Pension Fund financial statements.

c) Amounts included in the statement of financial activities

The amounts included within total expenditure in relation to the defined benefit scheme are as follows:

	2022 £m	2021 £m
Current service cost	**2.5**	2.4
Past service cost	**0.3**	0.3
Settlements and curtailments	**–**	0.1
Interest cost	**0.6**	0.5
Contributions	**(1.1)**	(1.0)
Total expense	**2.3**	2.3

The total pension costs charged in the Statement of Financial Activities (as adjusted for current service cost and employer's contributions) represents 3% (2019/20: 3%) of the total charge in the City Corporation Pension Fund financial statements.

d) Asset allocation

The current allocation of the scheme's assets is as follows:

Employer asset share - bid value	2022		2021	
	£m	% p.a.	£m	% p.a.
Equity investments	**22.5**	**60**	21.4	59
Cash	**0.5**	**1**	0.2	2
Infrastructure	**4.7**	**12**	4.1	12
Absolute return portfolio	**10.3**	**27**	9.9	27
Total assets	**38.0**	**100**	35.6	100

The charity's share of pension scheme assets at 31 March 2022 represents 3% (2020/21: 3%) of the total pension scheme assets of the City Corporation Pension Fund.

e) Movement in the present value of scheme liabilities

Changes in the present value of the scheme liabilities over the year are as follows:

	2022 £m	2021 £m
(Deficit) at beginning of the year	**(63.3)**	(47.2)
Current service cost	**(2.6)**	(2.4)
Interest cost	**(1.2)**	(0.9)
Remeasurement gains/(losses):		
Actuarial gains arising from changes in demographic assumptions	**–**	0.5
Actuarial (losses)/gains arising from changes in financial assumptions	**(3.4)**	14.5
Other acturial (losses)/gains	**(0.1)**	(0.6)
Past service cost, including curtailments	**(0.3)**	(0.3)
Liabilities extinguished on settlements	**–**	(0.2)
Benefits paid	**1.4**	1.4
Contributions from scheme participants	**(0.3)**	(0.3)
(Deficit) at the end of the year	**(63.0)**	(63.3)

The charity's share of the closing value of the pension scheme liabilities represents 3% (2019/20: 3%) of the total closing value of the pension scheme liabilities of the City Corporation Pension Fund.

f) Movement in the scheme net liability

The net movement in the scheme liabilities over the year are as follows:

	2022 £m	2021 £m
(Deficit) at beginning of the year	**(27.7)**	(18.9)
Current service cost	**(2.8)**	(2.8)
Net interest	**(0.6)**	(0.5)
Employer contributions	**1.1**	1.0
Actuarial gains/(losses)	**5.0**	(6.3)
Other (losses)	**–**	(0.2)
(Deficit) at the end of the year	**(25.0)**	(27.7)

g) Movement in the present value of scheme assets

Changes in the fair value of the scheme assets over the year are as follows:

	2022 £m	2021 £m
As at 1 April	**35.6**	28.3
Interest on assets	**0.7**	0.4
Remeasurement gains/(losses):		
Return on assets less interest	**1.8**	6.9
Contributions by employer including unfunded	**1.1**	1.0
Contributions by scheme participants	**0.3**	0.3
Estimated benefits paid net of transfers in and including unfunded	**(1.5)**	(1.4)
Settlement prices received	**–**	0.1
Closing value of scheme assets	**38.0**	35.6

h) Projected pension expense for the year to 31 March 2023

No allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the liabilities. As it is only an estimate, actual experience over the year may differ. No balance sheet projections have been provided on the basis that they will depend upon market conditions and the asset value of the scheme at the end of the following year.

	Year to 31/03/2023 £m	Year to 31/03/2022 £m
Service cost	**–**	2.4
Interest cost	**0.6**	0.5
Total expense	**0.6**	2.9
Employer contribution	**1.0**	1.0

20. Analysis of net assets between funds

As at 31 March 2022	Unrestricted Income Funds		Restricted Funds	Endowment Funds		
	General Funds £m	Designated Funds £m	Restricted Funds £m	Endowment Funds £m	Total at 31 March 2022 £m	Total at 31 March 2021 £m
Fixed assets – Investment properties	–	–	–	888.1	**888.1**	**843.8**
Fixed assets – Financial investments	278.4	486.2	–	114.9	**879.5**	**834.0**
Other fixed assets	3.1	8.6	–	–	**11.7**	**12.2**
Current assets & liabilities	(32.6)	–	0.5	27.1	**(5.0)**	**9.7**
Long-term liabilities	(29.1)	–	–	–	**(29.1)**	**(28.8)**
Pension liability	(25.0)	–	–	–	**(25.0)**	**(27.7)**
	194.8	494.8	0.5	1,030.1	**1,720.2**	**1,643.2**

As at 31 March 2021	Unrestricted Income Funds		Restricted Funds	Endowment Funds		
	General Funds £m	Designated Funds £m	Restricted Funds £m	Endowment Funds £m	Total at 31 March 2021 £m	Total at 31 March 2020 £m
Fixed assets – Investment properties	–	–	–	843.8	**843.8**	**854.9**
Fixed assets – Financial investments	291.3	436.5	–	106.2	**834.0**	**687.2**
Other fixed assets	3.1	9.1	–	–	**12.2**	**16.0**
Current assets & liabilities	(23.6)	–	3.8	29.5	**9.7**	**31.1**
Long-term liabilities	(28.8)	–	–	–	**(28.8)**	**(33.9)**
Pension liability	(27.7)	–	–	–	**(27.7)**	**(18.9)**
	214.3	445.6	3.8	979.5	**1,643.2**	**1,536.4**

21. Movement in funds

As at 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & Losses	Transfers	Total as at 31 March 2022
	£m	£m	£m	£m	£m	£m
Endowment Funds	**979.5**	**–**	**(0.4)**	**51.0**	**–**	**1,030.1**
London Communities Response Fund	3.4	–	(3.1)	–	–	**0.3**
Other restricted Funds	0.4	0.2	(0.4)	–	–	**0.2**
Total Restricted Funds	**3.8**	**0.2**	**(3.5)**	**–**	**–**	**0.5**
General Funds	242.0	33.5	(23.5)	53.7	(85.9)	**219.8**
Pension Reserve	(27.7)	–	(2.3)	5.0	–	**(25.0)**
Total General Funds	**214.3**	**33.5**	**(25.8)**	**58.7**	**(85.9)**	**194.8**
Property Dilapidations	0.4	–	–	–	–	**0.4**
Climate Action	0.0	–	–	–	15.0	**15.0**
Bridges Repairs	48.1	–	(0.9)	–	17.1	**56.2**
Bridges Replacement	168.7	–	–	–	22.5	**191.2**
Grant-making	206.9	–	(27.9)	–	31.3	**210.3**
Social Investment Fund	21.5	0.4	–	(0.2)	–	**21.7**
Total Designated Funds	**445.6**	**0.4**	**(36.9)**	**(0.2)**	**85.9**	**494.8**
Total Unrestricted Income Funds	**659.9**	**33.9**	**(62.7)**	**58.5**	–	**689.6**
Total Funds	**1,643.2**	**34.1**	**(66.6)**	**109.5**	**–**	**1,720.2**

As at 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & losses	Transfers	Total as at 31 March 2021
	£m	£m	£m	£m	£m	£m
Endowment Funds	984.2	–	(0.4)	(4.3)	–	979.5
Total Endowment Funds	**984.2**	**–**	**(0.4)**	**(4.3)**	**–**	**979.5**
London Community Response Fund	2.8	15.0	(28.7)	–	14.3	3.4
Other Restricted Funds	–	0.4	–	–	–	**0.4**
Total Restricted Funds	**2.8**	**15.4**	**(28.7)**	**–**	**14.3**	**3.8**
General Funds	127.6	31.6	(23.0)	159.6	(53.8)	**242.0**
Pension Reserve	(18.9)	–	(2.3)	(6.5)	–	**(27.7)**
Total General Funds	**108.7**	**31.6**	**(25.3)**	**153.1**	**(53.8)**	**214.3**
Property Dilapidations	0.4	–	–	–	–	**0.4**
Bridges Repairs	41.7	–	(8.8)	–	15.2	**48.1**
Bridges Replacement	158.5	–	–	–	10.2	**168.7**
Grant-making	219.2	–	(26.4)	–	14.1	**206.9**
Social Investment Fund	20.9	0.4	–	0.2	–	**21.5**
Total Designated Funds	**440.7**	**0.4**	**(35.2)**	**0.2**	**39.5**	**445.6**
Total Unrestricted Income Funds	**549.4**	**32.0**	**(60.5)**	**153.3**	**(14.3)**	**659.9**
Total Funds	**1,536.4**	**47.4**	**(89.6)**	**149.0**	**–**	**1,643.2**

Purpose of the endowment fund
The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Any income arising from this capital is accounted for within unrestricted funds. Further detail of the origins of this fund is stated on page 4.

Purposes of restricted funds
London Community Response Fund (LCRF) – established in response to the Covid-19 health pandemic to establish a collective response with other funders to support London's civil society in furtherance of the BHE funding policy, 'Bridging Divides' (£0.3m held).

Other Restricted Funds includes:
The Cornerstone Fund - a funder collaboration that aims to bring about systemic change in how civil society organisations access and receive support and which tackles structural inequalities in order to grow stronger, more resilient communities (£0.2m held).

Purposes of designated funds
Designated funds have been set aside by the Trustee for the following purposes:

Property Dilapidations	represents funds not yet utilised as received from tenants at the end of a lease to enable the property to be brought back to the required condition.
Climate Action	represents funds set aside to further progress and potentially accelerate delivery of the Charity's Climate Action Strategy.
Bridges Repairs	represents funds required to maintain the bridges for the next 5 years.
Bridges Replacement	represents funds set aside to fund the future rebuild of the bridges. This is based on the annually calculated present value of estimated future costs, adjusted for increases in construction costs.
Grant-making	represents surplus income which has been designated for future grant-making activities in the name of CBT.
Social Investment Fund	to finance investments that generate a financial return, alongside an associated social return, consistent with the agreed investment policy.

The charity also maintains a Pension Reserve Fund, representing the net liability owed.

Transfers between funds
In 2020/21, a transfer of £14.3m was made from the grant-making designated fund to the LCRF restricted fund to support the response to the Covid-19 pandemic.

Transfers are made to and from unrestricted income funds in order to maintain designated funds at the required levels.

22. Note to the statement of cash flows

Reconciliation of net income to net cash outflow from operating activities.

	2021/22 £m	2020/21 £m
Net income for the reporting period (as per the statement of financial activities)	**72.0**	113.3
Adjustments for:		
Interest and income from investments	**(30.4)**	(30.2)
Depreciation charges	**0.3**	0.3
(Gains) on financial investments	**(62.4)**	(178.7)
(Gains)/losses on property investments	**(42.3)**	23.4
Losses/(gains) on social investments	**0.2**	(0.2)
Decrease in stock	**0.1**	–
Decrease/(increase) in debtors	**0.5**	(0.1)
Increase in creditors falling due within one year	**2.7**	6.9
(Increase)/decrease in long term creditors	**0.3**	(5.1)
Net pension scheme costs	**2.3**	2.3
Net cash (used in) operating activities	**(56.7)**	(68.1)

23. Analysis of changes in net funds/cash and cash equivalents

	Total as at 1 April 2021 £m	Cash Flows £m	Total as at 31 March 2022 £m
Cash and cash equivalents			
Cash	4.5	(0.4)	4.1
Total	**4.5**	**(0.4)**	**4.1**

Other non-cash changes are detailed in Note 22.

24. Operating Leases

Minimum lease payments receivable under operating leases:

	31 March 2022 £m	31 March 2021 £m
Not later than one year	**23**	26
Later than one year and not later than five years	**77**	84
Later than five years	**1,073**	1,249
	1,173	1,359

25. Commitments

The following commitments exist as at 31 March in respect of future accounting periods:

	2022 £m	2021 £m
Works to bridges	**14.6**	–
Investment properties	**26.3**	3.9
	40.9	3.9

26. Related parties

The City Corporation is the sole Trustee of the charity, as described on page 6. The City Corporation provides various services to the charity, the costs of which are recharged to the charity. This includes the provision of banking services, charging all transactions to the charity at cost and crediting or charging interest at a commercial rate. The cost of these services is included within expenditure, as set out in Note 10.

The charity is required to disclose information on related party transactions with bodies or individuals that control or have significant influence over the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and Senior Staff are requested to disclose all related party transactions, including instances where their close family has made such transactions. The charity has decided to disclose all instances whereby a Member or officer has a connection with a charity which is a grantee of BHE to provide full transparency.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £000	2020/21 £000	Detail of transaction
London Funders (LF)	An Officer of the City Corporation is a Trustee of LF	**300** **(400)**	180 (250)	LF received grant funding from CBT
		3 **(–)**	3 (–)	The charity paid a membership fee to LF
Trust for London (TL)	The City Corporation nominates three Members to TL	**570** **(200)**	400 (770)	TL received grant funding from CBT
		4,375 **(4,475)**	570 (200)	TL received grant funding from CBT
		200 **(–)**	200 (–)	CBT received grant as contribution to Cornerstone fund
		216 **(132)**	410 (24)	TL paid rent, service charges & insurance
Blind in Business (BiB)	A Member of the City Corporation is a Trustee of BiB	**–** **(–)**	**93** (–)	BiB received grant funding from CBT
Partnership for Young London (PYL)	A Member of the City Corporation is a Trustee of PYL	**27** **(–)**	157 (60)	PYL received grant funding from CBT
Cripplegate Foundation, incorporating Islington Giving (CF)	Two Members of the City Corporation are Trustees of CF	**225** **(225)**	40 (55)	CF received grant funding from CBT
Heart of the City (HoTC)	An Officer and a Member of the City Corporation are Trustees of HoTC. Two Members of City Corporation are Council Members of HoTC, with a further Council Member having departed the BHE Board in December 2021	**–** **(119)**	95 (214)	HoTC received grant funding from CBT
Guild of Freemen of the City of London (GF)	A Member is a Director of GF	**20** **(–)**	21 (3)	GF paid rent, service charges & insurance to the Charity

Related party	Connected party	2021/22 £000	2020/21 £000	Detail of transaction
Museum of London Archaeology (MOLA)	A members is a Director/ Trustee of MOLA	– (–)	10 (41)	MOLA received grant funding from CBT
Augmentum Capital Limited (AC)	A Member of the City Corporation is a Director of AC Ltd.	12 (–)	–	Contribution towards AC's fit-out as part of the tenancy agreement
CBRE Global Investors (CBRE)	A Member of the City Corporation is an employee of CBRE	259 (3)	–	CBRE provided surveys, consultancy and development, and property purchase advisory services and rent reviews to the Charity
WSP Group plc (WSP)	A Member is a Consultant at WSP	19 (19)	–	WSP provided consultancy services to the Charity

The Members and Officers noted above did not participate in the discussions or decision making relating to the award of the grants.

Related Party Transactions with the City Fund (the City Fund is held by the City Corporation in respect of its activities as a local authority, police authority and port health authority).

During the year BHE contributed £126k towards Corporate IT projects and £129k towards the 'Secure City' project, relating to CCTV and telecommunications (2020/21: nil). The balance owed to BHE at year end was nil (2020/21: nil).

Related Party Transactions with City's Cash (City's Cash is held by the City Corporation and finances activities mainly for the benefit of London as a whole but also of relevance nationwide):

City's Cash holds a lease with BHE for the rental of a property. Rental income of £24k was received in the year (2020/21: £24k). The balance owed to BHE at year end was nil (2020/21: nil). At the year-end, City's Cash held a cash balance of £303k (2020/21: nil), relating to rental receipts on behalf of the Charity.

27. Subsequent events

In September 2022, the charity sold the freehold of investment properties held at 230, 244, 244a and 232-236 Lewisham High Street for £3.1m.



REFERENCE AND ADMINISTRATION DETAILS

Bridge House Estates

Registered charity number 1035628

The grant-making and other charitable activity of the charity operates under the name City Bridge Trust.

Principal office:

Guildhall, London, EC2P 2EJ

Trustee:

The Mayor and Commonalty & Citizens of the City of London

BHE Board members:

Deputy Dr Giles Shilson (Chair) (from 15/04/2021)

Paul Martinelli (from 15/04/2021, Deputy Chair from 27/04/2022)

Deputy Henry Colthurst (from 15/04/2021)

Colonel Simon Duckworth OBE DL (from 21/04/2022)

Alderman Professor Emma Edhem (from 15/04/2021)

Alderman & Sheriff Alison Gowman (from 15/04/2021, Interim Deputy Chair from 11/01/2022 to 27/04/2022)

Judith Pleasance (from 15/04/2021)

Deputy Henry Pollard (from 15/04/2021)

Deputy Nighat Qureishi (from 21/04/2022)

Deputy James Thomson (from 21/04/2022)

Jamie Ingham Clark (from 15/04/2021 to 24/03/2022)

Dhruv Patel OBE (Deputy Chair) (from 15/04/2021 to 09/12/2021)

John Petrie OBE (from 15/04/2021 to 24/03/2022)

Jeremy Mayhew OBE (from 13/01/2022 to 24/03/2022)

City Corporation - Senior officers:

Chief Executive	John Barradell OBE – The Town Clerk and Chief Executive of the City of London Corporation (to 31/12/2022)
	Michael Cogher – Acting Town Clerk and Chief Executive of the City of London Corporation (from 01/01/2023)
Chief Financial Officer	Peter Kane (to 30/04/2021); Caroline Al-Beyerty (from 01/05/2021) – The Chamberlain of the City of London Corporation
Solicitor	Michael Cogher – The Comptroller and City Solicitor of the City of London Corporation
Surveyor	Paul Wilkinson – City Surveyor

BHE leadership team:

Managing Director	David Farnsworth (from 16/04/2021)
Finance Director	Karen Atkinson (from 04/01/2022)
Chief Operating Officer	Simon Latham (from 04/01/2022)
CBT Associate Director	Dinah Cox OBE (from 04/01/2022)
Philanthropy Director	Fiona Rawes MBE (from 04/01/2022)
Director of Communications and Engagement	Catherine Mahoney (from 04/01/2022)

Auditors

Crowe U.K.LLP, 55 Ludgate Hill, London, EC4M 7JW

Bankers

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Financial investment advisors

Mercer, Quartermile One, 15 Lauriston Place, Edinburgh, EH3 9EP

Contact for Bridge House Estates, to request copies of governance documents – BHE@cityoflondon.gov.uk

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BRIDGE HOUSE ESTATES

Bridge House Estates
City of London
PO Box 270
Guildhall
London EC2P 2EJ

www.cityoflondon.gov.uk
Telephone: 020 7606 3030

Registered Charity 1035628

CITY OF LONDON

Appendix 1 – list of the charities

Charities marked with a (**) have individual trustees; for the charity marked with (***) the Corporation is Trustee acting through the Court of Aldermen. The Corporation is Trustee of all other charities.

Audited entities

1. The City of London Charities Pool (charity no. 1021138)
2. City of London School Bursary & Awards Fund (charity no. 276654)
3. City of London School for Girls Bursary Fund and the City of London School for Girls Scholarships & Prizes Fund (charity nos. 276251 and 276251-5; one set of financial statements for these linked charities)
4. City of London Almshouses (charity no. 1005857)

Entities subject to independent examination

5. City Educational Trust Fund (charity no. 290840)
6. City of London Combined Relief of Poverty (charity no. 1073660)
7. City of London Freemen's School Bursary Fund (charity no. 284769)
8. City of London Combined Education Charity (charity no. 312836)
9. Emanuel Hospital (charity no. 206952) ***
10. Sir William Coxen Trust Fund (charity no. 206936) **
11. Samuel Wilson's Loan Charity (charity no. 206964) **

Entities where no audit or independent examination is required

12. King George's Field (charity no. 1085967)
13. Guildhall Library Centenary Fund (charity no. 206950)
14. Charities administered in connection with the City of London Freemen's School (23 separate charities) (charity no. 312120)
15. Vickers Dunfee Memorial Benevolent Fund (charity no. 238878) **

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The City of London Charities Pool

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1021138

CONTENTS

Structure and Governance 2
Achievements and Performance 5
Financial Review 6
Trustee's Responsibilities 9
Independent Auditor's Report 10
Statement of Financial Activities 11
Balance Sheet 12
Cashflow Statement 13
Notes to the Financial Statements 14
Reference and Administration Details 25

TRUSTEE ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing documents are the scheme approved by the Charity Commission on 23 January 2012, which replaced a previous governing Scheme dated 20 July 1967.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Charities Pool. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committee which had responsibility for directly managing matters related to the charity during 2021/22 was the Finance Committee which has delegated its authority to the Financial Investment Board (one of its sub-committees). The Board is responsible for the Investment Strategy of the Charities Pool including the monitoring of the professional investment manager, Artemis Investment Management, which manages the investments on a daily basis. The above committees are ultimately responsible to the Court of Common Council of the City of London. Most of the Committee's meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 25.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. Induction meetings are provided on specific aspects of the work of The City of London Charities Pool. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The key objective of the charity is to provide small charities linked with the City of London the opportunity to obtain better returns than could generally be achieved if investments were made individually.

In so doing, the Charities Pool provides income to enable these small charities to pursue their respective objectives.

Investment Policy

The investment policy is to seek an absolute return over the long term in order to provide for the outlay to meet the needs of the unitholders, whilst preserving the fund's capital base in real terms. In pursuance of the objective, the City Corporation has adopted an investment strategy using bonds, equities and cash. The fund had no direct investments in bonds as at 31 March 2022 (31 March 2021: Nil).

The charity considers proactive engagement with the companies in which it invests to be the most effective means of understanding and influencing the social, environmental and governance policies of those companies. It expects investment managers to take steps to ensure that these factors are adequately addressed in the selection, retention and realisation of investments as far as such factors may affect investment performance.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. The City of London Charities Pool does not undertake fundraising activity, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing The City of London Charities Pool’s aims and objectives and in planning future activities. The purpose of the charity is to provide small charities linked with the City of London the opportunity to obtain better returns than could generally be achieved if investments were made individually. Consequently, the Trustee considers that the charity operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 25.

ACHIEVEMENTS AND PERFORMANCE

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term.

The charity distributed a total of £1,198,994 to unitholders during the year (2020/21: £905,952) which is used by the participating charities to meet their objectives.

PLANS FOR FUTURE PERIODS

The effects of the global pandemic of Coronavirus were still being experienced in 2021/22, and continued to impact upon the value of the investments held by the charity, but the fund manager still reported an increase in market values from the position at 31 March 2021. A recession is also widely predicted in the global stock markets. These factors will impact upon the level of distributable income available to meet the grant-making objectives of the charity.

The Trustee is monitoring the situation and will continue with the running of the Charities Pool and with distributing the fund's net income to the underlying charities.

FINANCIAL REVIEW

Overview of Financial Performance

Review of the Charity's Financial Position

The Charities Pool is invested in a strategy which predominantly holds UK equities. The market value of UK equities as at 31 March 2022 increased in value to £22,939,193 (2020/21: £21,734,914). The investments continue to be managed effectively and as such the charity remains a going concern.

Principal Funding Sources of the Charity

The sole source of funding for the Charities Pool is the dividend and interest income from the underlying investments.

Income

In 2021/22 the charity's total income for the year was £1,502,683, an overall increase of £125,556 against the previous year (2020/21: £1,377,127). This was due to an increase in dividend payouts and new subscriptions in 2021/22 compared to 2020/21 (see below).

Income comprised £1,329,966 from investments (2020/21: £1,027,355), being £1,329,726 from managed investments (2020/21: £1,027,240) and £240 from interest receivable (2021/22: £115). New unit subscriptions to the fund totalled £172,717, with 2 unitholders contributing (2020/21: 3 unitholders, £349,772). Further information on new subscriptions is stated in Note 16.

Expenditure

Total expenditure for the year was £1,340,550 (2020/21: £1,272,259), with charitable activities expenditure in the year totalling £1,198,994 (2020/21: £1,171,529). Distributions for the year, paid out to unitholders in September and March of each year, totalled 48.25 pence/unit (2020/21: 36.46 pence/unit), amounting to £1,198,994 (2020/21: £905,952). During the year, no unit holders took a decision to redeem units (2020/21: one unitholder, £265,577). Further details on redemptions are reported in Note 16.

Expenditure on raising funds for the year was £141,556 (2020/21: £100,730). This consists of managed investment expenses payable on the fund in the year of £127,768 (2020/21: £100,730). These are processed as movements on the capital balances and are treated as disposals. Hence, they are deducted from the Fixed Investments balances. Expenditure for 2021/22 also includes audit fees £5,000 (2020/21: Nil) and administration fees £8,788 (2020/21: Nil) for the first time following the decision by the City Corporation as Trustee to seek reimbursement for the administration fees incurred from each of its charities.

Funds held

The charity's total funds held on behalf of unitholders increased by £1,204,588 or +5.50% to £23,094,034 as at 31 March 2022 (2020/21: £21,889,446). This increase is

mainly the result of gains on investments of £1,042,804 (2020/21: gains of £4,310,343). During the year, there were subscriptions for new units of £172,717 in 2021/22 (2020/21: £349,772) but there were no redemption of units (2020/21: £265,577). The cashflow statement on page 13 shows the total movement of cash during the year.

The underlying investments are managed by Artemis Investment Management LLP, with the performance of the fund measured against the fund manager benchmark, being the FTSE All Share Index. The rate of recovery in the financial markets decreased over the twelve months to 31 March 2022 following a major increase in asset prices in 2020/21 mainly due to the recovery from the global pandemic. Under these conditions, investments held in the Charities Pool performed just below the average benchmark level, generating a gross return of +11.1% for 2020/21 (2020/21: +30.7%) compared with the FTSE All Share Index benchmark return of +13.0% (2020/21: +26.7%). However, the longer term performance of the Charities Pool investments, as displayed in the table below, was above benchmark and also showed a slight improvement compared to the long term position reported twelve months ago:

	31 March 2022		31 March 2021	
	3 year	5 year	3 year	5 year
Fund	+7.3%	+6.2%	+5.0%	+7.2%
FTSE All Share	+5.3%	+4.7%	+3.2%	+6.3%
Fund Outperformance	**+2.0%**	**+1.5%**	**+1.8%**	**+0.9%**

Details of the funds held, including their purpose, is set out within Note 13 to the financial statements.

Reserves

The objective of the City of London Charities Pool is to maximise revenue returns and capital growth on behalf of its unitholders, with all incoming resources distributed to the unitholders each year. The free reserves of the charity are held to cover working capital needs. The trustee believes that an amount of £15,000 should be held at present, which will be subject to annual review. Given the nature of the charity's reserves (being the accumulated fund, undistributed income and invested units at cost less profit distributed on redemptions), total reserves levels are above the minimum required to cover working capital needs; undistributed income funds are within the target range (see note 13).

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are

in place to mitigate such risks. These have been affected by the Covid 19 pandemic which is also mentioned under “Plans for Future Periods” (page 5).

The principal risks faced by the charity, and actions taken to manage them are as follows:

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity’s funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustee has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy

Chairman of Finance Committee
The City of London Corporation
Guildhall, London

Randall Keith Anderson, Deputy

Deputy Chairman of Finance Committee
of the City of London Corporation

XX January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CHARITIES POOL

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted Funds	
	Notes	**2021/22 Total Funds**	2020/21 Total Funds
		£	£
Income from:			
Charitable Activities	2	**172,717**	349,772
Investments	3	**1,329,966**	1,027,355
Total income		**1,502,683**	1,377,127
Expenditure on:			
Raising funds	4	**141,905**	100,730
Charitable activities	5	**1,198,994**	1,171,529
Total expenditure		**1,340,899**	1,272,259
Net gains/(losses) on investments	8	**1,042,804**	4,310,343
Net movement in funds		**1,204,588**	4,415,211
Reconciliation of funds:			
Total funds brought forward	13	**21,889,446**	17,474,235
Total funds carried forward	13	**23,094,034**	21,889,446

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 14 to 24 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Investments	8	**22,603,776**	21,439,065
Current assets			
Debtors	9	**228,238**	180,695
Investments	8	**335,417**	295,849
Total current assets		**563,655**	476,544
Creditors: Amounts falling due within one year			
Creditors	10	**(28,756)**	(25,854)
Bank Overdraft		**(44,641)**	(309)
Total Creditors: Amounts falling due within one year		**(73,397)**	(26,163)
Net current assets		**490,258**	450,381
Total assets less current liabilities		**23,094,034**	21,889,446
The funds of the charity:			
Unitholders' funds	13	**23,094,034**	21,889,446

The notes on pages 14 to 24 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

XX January 2023

CASHFLOW STATEMENT

AS AT 31 MARCH 2022

	Notes	**2021/22 Total £**	2020/21 Total £
Cash flows from operating activities:			
Net cash (used in) operating activities	14	(1,385,540)	(1,036,045)
Cash flows from investing activities:			
Interest and income from investments		1,329,966	1,027,355
Proceeds from sale of investments		5,433,435	4,847,271
Purchase of investments		(5,555,342)	(5,329,942)
Net cash provided by investing activities		**1,208,059**	**544,684**
Cash flows from financing activities:			
Net Receipt/(Payment) from sale/purchase of new units		172,717	84,195
Net cash provided by/(used in) financing activities		**172,717**	**84,195**
(Decrease) in cash in the year		**(4,764)**	**(407,166)**
Change in cash and cash equivalents in the reporting period		**(4,764)**	**(407,166)**
Cash and cash equivalents at the beginning of the reporting period		**295,540**	**702,706**
Cash and cash equivalents at the end of the reporting period		**290,776**	**295,540**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention, and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The City of London Charities Pool is a common investment fund operating in a similar way to a unit trust. The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the signing of these financial statements to enable the charity to continue to fulfil its obligations. In making this assessment, the Trustee has considered the ongoing economic impact of the Covid-19 pandemic on the value of investment assets held, future income levels and the liquidity of the charity over the 12-month period following the signing of these financial statements.

The fund will continue to operate for as long as charities use its services which in turn will depend upon the investment performance of the Pool and the financial circumstances of each charity.

As a result of enquiries made with unitholders, the Trustee has a reasonable expectation that the Pool has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised

and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of dividends, interest receivable on cash held by the fund manager and new units subscriptions.

(e) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'expenditure on raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(f) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(g) Investments

Investments held within the Charities Pool are managed by Artemis Investment Management LLP. All of the securities held are listed on a stock exchange. Investments are valued annually at the bid-market price at the close of business on 31 March. Cash balances held within the investment portfolio as part of the portfolio strategy, but with a maturity date of less than one year are classified as current asset investments. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(h) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Unrestricted income funds – these funds can be used in accordance with the charitable objects on behalf of the unitholders by the Trustee and include income generated from those assets representing unrestricted funds.

(i) Indemnity insurance

The City of London Corporation takes out indemnity insurance in respect of all its activities. The charity does not contribute to the cost of that insurance.

2. INCOME FROM NEW UNITS SUBSCRIPTIONS

	Total 2021/22	Total 2020/21
	£	£
New units subscriptions	**172,717**	349,772
	No.	No.
New units purchased	**18,420**	48,127

3. INCOME FROM INVESTMENTS

	Total 2021/22	Total 2020/21
	£	£
Income from Investments held	**1,329,726**	1,027,240
Interest receivable	**240**	115
	1,329,966	**1,027,355**

4. EXPENDITURE ON RAISING FUNDS

	Total 2021/22	Total 2020/21
	£	£
Investment management fees	**127,768**	100,730
Audit Fees	**5,000**	-
Administration Fees	**8,788**	-
Fair Value	**349**	-
	141,905	100,730

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2021/22 £	Total 2020/21 £
Distributions to unitholders	**1,198,994**	905,952
Redemptions - disposal of units	**-**	265,577
	1,198,994	**1,171,529**
Distributions - pence/unit	**48.25**	36.46
Redemptions - number of units	**-**	34,466

6. AUDITOR'S REMUNERATION

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services for all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the audit fee incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21: Nil). No other services were provided to the charity by its auditors during the year (2020/21: Nil).

7. TRUSTEE EXPENSES

The members of the Finance Committee of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

8. INVESTMENTS

Analysis of movement in investments:

	2022 £	2021 £
Market value 1 April	21,439,065	16,646,051
Additions	5,555,342	5,329,942
Disposals	(5,433,435)	(4,847,271)
Gain/(Loss) for the year	1,042,804	4,310,343
Market value 31 March	**22,603,776**	21,439,065
Cash held by Fund Manager	335,417	295,849
Total investments at 31 March	**22,939,193**	21,734,914
Historic cost 31 March	20,486,543	19,656,526

Total investments as at 31 March are split as follows:

Market value	**2021**	2021
	£	£
Long-term	22,603,776	21,349,065
Short-term	335,417	295,849
	22,939,193	21,734,914

The geographical spread of investments at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**
	£	£	**£**
Equities	18,652,149	2,604,862	**21,257,011**
Pooled Units	1,346,765	-	**1,346,765**
Cash held by Fund Manager	335,417	-	**335,417**
Total	20,334,331	2,604,862	**22,939,193**

	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	£
Equities	17,750,501	2,525,864	20,276,365
Pooled Units	1,162,700	-	1,162,700
Cash held by Fund Manager	295,849	-	295,849
Total	19,209,050	2,525,864	21,734,914

9. DEBTORS

	2022	2021
	£	£
Accrued income	**228,238**	176,239
Recoverable VAT	-	4,456
	228,238	180,695

Accrued income represents those dividends confirmed as receivable prior to 31 March each year but not received as at that date.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	**28,756**	25,854
	28,756	25,854

11. MOVEMENT IN UNIT-HOLDERS FUNDS DURING THE YEAR

	2021		2021	
Funds Subscribed	**Units**	**£**	Units	£
Balance at 1 April	**2,475,044**	**12,065,861**	2,461,383	11,854,113
Redemptions during the year	**-**	**-**	(34,466)	(138,024)
Subscriptions during the year	**18,420**	**172,717**	48,127	349,772
Invested units at cost	**2,493,464**	**12,238,578**	**2,475,044**	**12,065,861**

The unit-holders values show the purchase costs and the original amounts paid for the units sold at the transaction dates since inception of the City of London Charities Pool.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 March 2022	Unrestricted Income Funds	
General Fund	**Total at 31 March 2021**	Total at 31 March 2021
	£	£
Fixed assets – investments	22,603,776	21,439,065
Current Assets	563,655	476,544
Current Liabilities	(73,397)	(26,163)
Total	23,094,034	21,889,446

13. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	**Total as at 31 March 2022 £**
General Funds:						
Accumulated fund	12,328,246	-	-	1,042,804	-	**13,371,050**
Undistributed income	20,791	309	(11,242)	-	-	**9,858**
Invested units at cost	12,065,860	172,717	-	-	-	**12,238,577**
Profit distributed on redemptions	(2,525,451)	-	-	-	-	**(2,525,451)**
Total Unit holder Funds	21,889,446	173,026	(11,242)	1,042,804	-	**23,094,034**

At 31 March 2021	Total as at 31 March 2020 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	**Total as at 31 March 2021 £**
General Funds:						
Accumulated fund	8,017,903	-	-	4,310,343	-	12,328,246
Undistributed income	118	20,673	-	-	-	20,791
Invested units at cost	11,854,113	349,772	(138,025)	-	-	12,065,860
Profit distributed on redemptions	(2,397,899)	-	(127,552)	-	-	(2,525,451)
Total Unit holder Funds	17,474,235	370,445	(265,577)	4,310,343	-	21,889,446

Purpose of the accumulated fund

The accumulated fund represents unrealised gains/(losses) in respect of current subscriptions from unitholders.

Purpose of the undistributed income fund

This represents income receivable by the Pool which has not been distributed to subscribers/unit holders.

Total unit-holder funds

The market value per unit as at 31 March 2022 is £9.26 (2021: £8.84). This is calculated by dividing the total value of unit-holders funds as stated above by the total number of units invested (see Note 11).

14. NOTE TO THE STATEMENT OF CASH FLOWS

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

	2021/22	2020/21
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**1,204,588**	4,415,211
Adjustments for:		
Interest and income from investments	**(1,329,966)**	(1,027,355)
(Gain)/Loss on investments	**(1,042,804)**	(4,310,343)
Net (new subscriptions)/redemptions	**(172,717)**	(84,195)
(Decrease)/ increase in Debtors	**(47,543)**	(29,199)
(Decrease) in Creditors	**2,902**	(164)
Net cash (used in) operating activities	**(1,385,540)**	(1,036,045)

15. RELATED PARTIES

The City of London Corporation is the sole Trustee of both the City of London Charities Pool and of a number of the charities which are unitholders within the Pool.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

16. STATEMENT OF FUNDS HELD BY UNIT-HOLDERS

The charity holds funds on behalf of charities which have met the terms of the provisions of the Pool's New Governing Scheme dated 23 January 2012. A schedule of the charities, their respective invested amounts, their market values and distributed funds for the financial year being reported is provided below.

Unit-holder funds

	2022
	£
Unit-holder funds (per summary of underlying charities)	23,099,451
Listed debtor – Recoverable VAT - Estimated but not listed	(5,190)
Other adjustments	(227)
Total of unit-holder funds	**23,094,034**

CITY OF LONDON CHARITIES POOL DISTRIBUTION AND MARKET VALUE STATEMENT 2021-22

Class or Subscriber	Commission No.	No. of Units at 31st March 2022	Net Amount Subscibed	Market Value (Bid price) 31st March 2021	Market Value (Bid price) 30th September 2021	Market Value (Bid price) 31st March 2022	Distributed 2021/22 1/2 year toSep 21	Distributed 2021/22 1/2 year toMar22
(Per Unit Values)				£8.842	£9.339	£9.264	22.37 p	25.88 p
Education								
City of London School								
Bursary and Awards Funds	276654	416,870	£2,297,194.57	£3,686,168.81	£3,893,191.97	£3,861,883.68	£93,249.33	£107,893.42
City of London School for Girls								
Scholarships and Prizes	276251-5	9,780	£44,716.77	£86,479.55	£91,336.43	£90,601.92	£2,187.68	£2,531.24
Bursary Funds	276251	455,832	£2,304,438.13	£4,030,689.90	£4,257,062.11	£4,222,827.65	£101,964.71	£117,977.48
City of London Freemen's School								
Charities Administered (In Connection With)	312120	24,140	£82,620.93	£205,526.00	£217,068.78	£223,632.96	£5,199.21	£6,247.86
Bursary Fund	284769	149,423	£1,080,215.26	£1,166,324.43	£1,231,827.72	£1,384,254.67	£29,504.61	£38,673.35
Sub-Total Education		1,056,045	£5,809,185.66	£9,175,188.69	£9,690,487.01	£9,783,200.88	£232,105.54	£273,323.35

Class or Subscriber	Commission No.	No. of Units at 31st March 2022	Net Amount Subscibed	Market Value (Bid price) 31st March 2021	Market Value (Bid price) 30th September 2021	Market Value (Bid price) 31st March 2022	Distributed 2021/22 1/2 year toSep 21	Distributed 2021/22 1/2 year toMar22
(Per Unit Values)				£8.842	£9.339	£9.264	22.37 p	22.37 p
City's Cash General								
Highgate Wood & Queen's Park Kilburn	232986	18,728	£18,728.00	£165,602.15	£174,902.73	£173,496.19	£4,189.25	£4,847.14
Epping Forest								
Epping Forest	232990	438	£438.00	£3,873.01	£4,090.53	£4,057.63	£97.98	£113.36
Miscellaneous Trusts								
City Educational Trust Fund	290840	423,949	£442,314.60	£3,748,764.79	£3,959,303.49	£3,927,463.54	£94,832.83	£109,725.60
Guildhall Library Centenary Fund	206950	1,233	£1,233.00	£10,902.79	£11,515.11	£11,422.51	£275.81	£319.12
Samuel Wilson's Loan Charity	206964	268,993	£1,135,925.37	£2,378,567.91	£2,512,153.40	£2,491,951.15	£60,170.84	£69,620.20
City of London Almshouses Trust	1005857	86,077	£417,370.50	£761,135.01	£803,881.99	£797,417.33	£19,254.50	£22,278.27
The CoL Combined Education Charity	312836	126,861	£650,382.18	£1,121,767.12	£1,184,767.98	£1,175,240.30	£28,377.44	£32,833.90
Sir Thomas Gresham Charities	221982	74	£365.56	£654.34	£691.09	£685.54	£16.55	£19.15
Hampstead Heath Trust	803392-1	65,359	£317,644.74	£577,936.30	£610,394.45	£605,485.78	£14,620.10	£16,916.08
City of London Archeological Trust	268160	46,298	£278,338.71	£409,389.60	£432,381.80	£428,904.67	£10,356.36	£11,982.75
The CoL Combined Relief of Poverty Charity	1073660	46,832	£320,940.83	£414,111.49	£437,368.88	£433,851.65	£10,475.81	£12,120.96
Partnership for Young London	1062226	10,638	£74,997.97	£94,066.41	£99,349.38	£98,550.43	£2,379.61	£2,753.30
Vickers Dunfee Memorial Benevolent Fund	238878	19,280	£133,996.00	£170,483.21	£180,057.91	£178,609.92	£4,312.73	£4,990.01
Emanuel Hospital	206952	322,659	£2,636,716.61	£2,853,108.98	£3,013,345.71	£2,989,112.98	£72,175.34	£83,509.92
Sub-Total		1,437,419.00	£6,429,392.07	£12,710,363.11	£13,424,204.45	£13,316,249.62	£321,535.15	£372,029.76
Total as at 31 March 2022		2,493,464	£12,238,577.73	£21,885,551.80	£23,114,691.46	£23,099,450.50	£553,640.69	£645,353.11

Class or Subscriber	Commission No.	No. of Units at 31st March 2022	Net Amount Subscibed
Total as at 31Mar21		2,475,044	£12,065,860.57

Class or Subscriber	Commission No.	No. of Units at 31st March 2022		Market Value 31st March 2021	Market Value 30th September 2021	Market Value 31st March 2022
Mid-Market Price				£8.845	£9.342	£9.268
Purchase Price				£8.849	£9.377	£9.273
Selling Price				£8.842	£9.339	£9.264
01-Apr-21 Purchases						
Nil						
01-Apr-21 Sales						
Nil						
Balances as at 30 September 2021		2,475,044	£12,065,860.57		£23,114,691.46	
01 Oct 21 Purchases:						
City of London Freemen's School						
Charities Administered (In Connection With)	312120	897	£8,410.82		£8,410.82	
Bursary Fund	284769	17,523	£164,306.34		£164,306.34	
01 Oct 21 Sales						
Nil						
Balances as at 31 March 2022		2,493,464	£12,238,577.73			

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Charities Pool

Registered charity number: 1021138

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty – The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT MANAGER:

Artemis Investment Management LLP, Cassini House, 57 St James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

The City of London Almshouses

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1005857

The Register of Social Housing Providers

Number A2266

CONTENTS

ORIGINS OF THE CHARITY....1

STRUCTURE AND GOVERNANCE....2

ACHIEVEMENTS AND PERFORMANCE....4

FINANCIAL REVIEW....5

TRUSTEE RESPONSIBILITIES....7

INDEPENDENT AUDITOR'S REPORT....9

STATEMENT OF FINANCIAL ACTIVITIES....10

BALANCE SHEET....11

NOTES TO THE FINANCIAL STATEMENTS....12

REFERENCE AND ADMINISTRATION DETAILS....24

ORIGINS OF THE CHARITY

The City of London Almshouses was registered with the Charity Commission in July 1991, under the name 'City of London Almshouses Trust', under a scheme which amalgamated the following three charities:

Charity name	History
City of London Freemen's Houses	Regulated by a conveyance dated 1 January 1848 and comprised in a Scheme of the Charity Commissioners of the 19 August 1975
Roger's Almhouses	Comprised in a declaration of trust dated 15 July 1858
Brown's Gift	Regulated by declaration of trust dated 22 March 1934

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The City of London Almshouses is a registered charity and also a registered social landlord, under Section 1 (2) of the Housing Act 1996. It was registered with the Charity Commission in July 1991, under a scheme which amalgamated:

- City of London Freemen's Houses
- Rogers' Almshouses
- Brown's Gift

The Charity Commission agreed with effect from 26 July 2011 for the City of London Corporation to become the sole corporate Trustee in place of various individuals.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Almshouses. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 was as follows:

The Housing Management and Almshouses Sub (Community and Children's Services) Committee of the City Corporation administers the charity on behalf of the Trustee.

The above committee is ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is being undertaken and recommendations are being considered to ensure that the charity is effective in

fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the provision of Almshouses for poor or aged persons, giving preference to freemen of the City of London, their wives, widows, sons, and daughters and where practicable to married couples.

Throughout the year the Almshouse Manager actively sought new applications, reporting to Trustees on applicants who may not quite meet the criteria (for instance within a year of the age requirement) making recommendations on applicants' behalf when they filled all other criteria.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 24.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Almshouses' aims and objectives and in planning future activities. The purpose of the charity is as stated above.

Consequently, the Trustee considers that The City of London Almshouses operates to benefit the general public and satisfies the public benefit test.

Renumeration Policy

The charity's senior staff are employees of the City Corporation and, alongside all staff, pay is reviewed annually. The City Corporation is committed to attracting, recruiting, and retaining skilled people and rewarding employees fairly for their contribution. As part of this commitment, staff are regularly appraised and, subject to performance, eligible for the payment of bonuses and recognition awards.

The above policy applies to staff within the charity's key management personnel, as defined within note 6 to the financial statements.

The charity is committed to equal opportunities for all employees. An Equality and Inclusion Board has been established to actively promote equality, diversity and inclusion in service delivery and employment practices. The Board is responsible for monitoring the delivery of the Equality and Inclusion Action Plan and progress against

the Equality Objectives. This also includes addressing the City Corporation's gender, ethnicity and disability pay gaps.

Owing to the COVID 19 pandemic and the recommendations from the Tackling Racism Taskforce, which was set up last year to identify the actions that the City Corporation could implement to tackle racism in all its forms, the Corporate Equality and Inclusion Plan will be updated in the autumn. There is work ongoing relating the new Equalities and Inclusion objectives, that will include internal and external consultation. This is expected to take place in the at the end of April 2023, with publication of the revised Equalities and Inclusion objectives by September 2023.

Senior staff posts of the City Corporation are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the relevant grade, which incorporates market factors as well as corporate importance.

ACHIEVEMENTS AND PERFORMANCE

Despite Covid 19 pandemic, the Almshouse Manager continued to work as usual throughout 2021/2022, supporting residents in need. This was achieved by risk assessments of vulnerable residents, utilising monitoring equipment and social distancing, there was no significant changes in the day to day support to residents and management of Almshouses. The refurbishment project was delayed due to access requirements of resident homes but has now been completed in March 2022. In January 2022 social activities for residents were slowly reintroduced and the full programme of activities have now resumed for residents.

PLANS FOR FUTURE PERIODS

The objectives for 2022/23 are:

- To continue to the provision of almshouses for poor or aged persons, giving preference to Freemen of the City of London, their wives, widows, sons and daughters and where practicable to married couples.

- Significant work to refurbish the internal and external fabric of the housing properties was delayed due to pandemic restrictions. Internal works and some external works have been completed. Further external works are planned.

- A full review of Almshouses policies and procedures will be undertaken in 2022/23 under the City of London's Charity review.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity total income for the year was £326,033, an overall decrease of £28,257 against the previous year (2020/21: £354,290).

Income from charitable activities totalled £281,179 (2020/21: £314,966), comprising rental and service charge income.

Income from investments comprised £44,854 (2020/21: £39,324), being £41,533 from managed investments (2020/21: £31,388) and £3,321 from bank interest (2020/21: £7,936).

Expenditure

Total expenditure for the year was £222,668 (2020/21: £270,215). Within this, charitable activities expenditure totalled £222,600 (2020/21: £269,865). The key costs are Management, Services and Routine & Planned maintenance. Expenditure on raising funds was £68 (2020/21: £350), covering the costs of interest expenses.

Investment performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**7.3%**	**6.2%**	5.0%	7.2%
FTSE All Share	**5.3%**	**4.7%**	3.2%	6.3%
Fund outperformance	**+2.0%**	**+1.5%**	+1.8%	+0.9%

Funds held

The charity's total funds held increased by £134,980 to £3,241,885 as at 31 March 2022 (2020/21: £3,106,905). Within the total funds held, £37,648 (2020/21: £37,648) represent permanent endowment funds which are held as a capital fund to generate income for the primary objectives of the charity. Restricted income funds amounted to £1,319,751 (2020/21: £1,319,751) being social housing grants which are repayable under certain circumstances, primarily following the sale of a property.

Unrestricted income funds amounted to £1,884,486 (2020/21: £1,749,506). These funds are held for use in future years in accordance with the objectives of the charity.

Details of all funds held, including their purposes, is set out within note 15 to the financial statements.

Reserves

The Reserves Policy is to maintain the endowment funds of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income together with other funds, in accordance with the objectives of the charity.

The free reserves of the charity are held to cover working capital needs. The Trustee has revised its policy in 2020/21 to meet future working capital needs. The Trustee believes that a minimum amount of £2,800 should be held at present, which will be subject to annual review. Actual free reserves (unrestricted funds not designated or tied up in fixed assets) were £992k, well above the minimum amount, and the use of these reserves will be factored into the plans for future periods, including those set out on page 4.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON ALMSHOUSES

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:						
Charitable activities	2	281,179	-	-	**281,179**	314,966
Investments	3	44,854	-	-	**44,854**	39,324
Total income		326,033	-	-	**326,033**	354,290
Expenditure on:						
Raising funds	4	68	-	-	**68**	350
Charitable activities	5	222,600	-	-	**222,600**	269,865
Total expenditure		222,668	-	-	**222,668**	270,215
Net gains/(losses) on investments	11	36,326	-	-	**36,326**	150,244
Net gains/(losses) on short term deposit		(4,711)	-	-	**(4,711)**	564
Net movement in investment		31,615	-	-	**31,615**	150,808
Net income/(expenditure) and net movement in funds		134,980	-	-	**134,980**	234,883
Reconciliation of funds:						
Total funds brought forward	16	1,749,506	1,319,751	37,648	**3,106,905**	2,872,022
Total funds carried forward	16	1,884,486	1,319,751	37,648	**3,241,885**	3,106,905

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 23 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Tangible assets	10	**1,929,019**	1,764,496
Investments	11	**797,459**	761,133
Total fixed assets		**2,726,478**	2,525,629
Current assets			
Debtors	12	**11,187**	17,283
Cash at bank and in hand		**711,934**	791,795
Total current assets		**723,121**	809,078
Creditors: Amounts falling due within one year	13	**(67,226)**	(85,851)
Net current assets		**655,895**	723,227
Total assets less current liabilities		**3,382,373**	3,248,856
Creditors: Amounts falling due after more than one year	14	**(140,488)**	(141,951)
Total net assets		**3,241,885**	3,106,905
The funds of the charity:			
Endowment funds	16	**37,648**	37,648
Restricted funds	16	**1,319,751**	1,319,751
Unrestricted funds	16	**1,884,486**	1,749,506
Total funds		**3,241,885**	3,106,905

The notes on pages 12 to 23 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The majority of the charity's income is from rents from the properties and the Trustee is active in ensuring that these are fully let by advertising and maintaining a waiting list. A long-term financial plan has been agreed to ensure that funds are available as major works arise. The latest forecast anticipates that adequate funds will be available in the next 12 months from the date of signing these accounts to enable the charity to continue to fulfil its obligations.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per Section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of rental and service charge income, investment income and grants.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal categories of 'raising funds' and 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Support costs include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is the employee time spent on the respective services. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the cash held in this fund can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund.

Restricted funds – these include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment and from those representing unrestricted funds. Specifically, this represents any surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Pension Costs

Employees seconded from the City of London Corporation are entitled to be members of the City of London Corporation's Pension Scheme. These costs are included in the total salaries charged.

Staff are employed by the City of London Corporation and are eligible to contribute to the City of London Local Government Pension Fund, which is a funded defined benefit scheme. The estimated net deficit on the Fund is the responsibility of the City of London Corporation as a whole, as one employer, rather than the specific responsibility of any of its three main funds (City Fund, City's Cash and Bridge House Estates) or the trusts it supports.

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £832.7m as at 31 March 2022 (£919.7m as at 31 March 2021). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2019, using the projected unit method. The actuary will carry out the next assessment of the scheme as at 31 March 2022, which will set contributions for the period from 1 April 2022 to 31 March 2024. Contribution rates adopted for the financial years 2019/20, 2020/21 and 2021/22 have been set at 21% (2018/19: 21%).

(k) Tangible fixed assets

The City of London Almshouses were erected in the mid-19th century. There is no record of the original cost and no value has therefore been attributed. The cost stated for fixed assets for land and buildings relates to subsequent improvements and refurbishments. This excludes expenditure on routine and planned repairs and

maintenance of fixed assets which is charged directly within the Trust's charitable activities.

Depreciation for improvements and refurbishments to buildings is charged on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

	Years
Improvements and refurbishments to buildings	37

It is the Trust's policy to ensure that the dwellings are kept in a good standard of repair and that there are sufficient resources to meet this requirement.

(l) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Rental income	**205,677**	228,989
Service charges	**74,039**	82,488
Deferred income from Gresham Lease	**1,463**	3,489
Total	**281,179**	314,966

3. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**41,533**	31,388
Interest	**3,321**	7,936
Total	**44,854**	39,324

4. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Raising funds	**68**	350

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs	Support costs	**Total 2021/22**	Direct costs	Support costs	Total 2020/21
	£	£	**£**	£	£	£
Almshouses running costs						
Management	-	70,921	**70,921**	-	110,589	110,589
Services	92,441	-	**92,441**	95,478	-	95,478
Routine maintenance	40,806	-	**40,806**	22,086	-	22,086
Planned maintenance	11,773	-	**11,773**	13,941	-	13,941
Supplementary Revenue Projects	-	-	**-**	554	-	554
Contributions to Funds and Provisions	(641)	-	**(641)**	19,917	-	19,917
Depreciation of housing properties	7,300	-	**7,300**	7,300	-	7,300
Total	151,679	70,921	**222,600**	159,276	110,589	269,865

Within charitable activities are the services costs, comprised of:

	2021/22	2020/21
	£	£
Lighting	**5,368**	3,564
Matrons	**51,256**	52,972
Window Cleaning	**(1,002)**	1,473
Water Rates	**275**	(21)
Groundsman	**19,460**	25,904
Rent	**6,916**	6,695
Council Tax	**9,503**	4,351
Pest Control	**665**	540
Total	**92,441**	95,478

6. SUPPORT COSTS

Support costs include activities undertaken by the City of London Corporation on behalf of the Charity, such as human resources, digital services, legal support, accounting services, committee administration and premises costs. Such costs are determined on a departmental basis, and are allocated on a cost recovery basis to the charity based on time spent, with associated office accommodation charged proportionately to the space occupied by the respective activities, with the split of costs as follows:

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Audit fees	-	1,750	**1,750**	-
Central support	12,000	-	**12,000**	12,000
Legal fees	7,831	-	**7,831**	4,147
Other Management costs	49,341	-	**49,341**	94,442
Sub-total	69,171	1,750	**70,921**	110,589
Reallocation of governance costs	1,750	(1,750)	**-**	-
Total	**70,921**	**-**	**70,921**	110,589

All support costs are undertaken from unrestricted funds and allocated based on the proportion relating to direct activities.

7. STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 2.3 (2020/21: 2.3).

Amounts paid in respect of employees directly undertaking activities on behalf of the charity were as follows:

	2021/22 £	2020/21 £
Salaries and wages	**53,218**	59,399
National Insurance costs	**5,455**	6,075
Employer's pension contributions	**12,042**	13,402
Total emoluments of employees	**70,715**	78,876

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee. The number of directly charged employees whose emoluments (excluding employer's pension contribution) for the year were over £60,000 was nil (2020/21: nil)

8. AUDITOR'S REMUNERATION

Crowe LLP are the auditors of the City of London City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the fees incurred from each of its charities. In 2021/22 an audit fee of £5,000 was recharged (2020/21 £nil). No other services were provided to the charity by its auditors during the year (2020/21: £nil).

9. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil)

10. TANGIBLE FIXED ASSETS

	Land and Buildings £	Work in Progress £	**Total £**
Cost			
At 1 April 2021	1,763,430	167,116	**1,930,546**
Additions	-	171,823	**171,823**
Disposals	-	-	**-**
At 31 March 2022	1,763,430	338,939	**2,102,369**
Depreciation			
At 1 April 2021	166,050	-	**166,050**
Charge for the year	7,300	-	**7,300**
Disposals	-	-	**-**
At 31 March 2022	173,350	-	**173,350**
Net book value			
At 31 March 2022	1,590,080	338,939	**1,929,019**
At 31 March 2021	1,597,380	167,116	**1,764,496**

11. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	761,133	610,889
Gain/(loss) for the year	36,326	150,244
Market value 31 March	**797,459**	761,133
Cost 31 March	417,370	417,370
Units held in Charities Pool	**86,077**	86,077

The type of listed investments held as at 31 March was as follows:

	Total at 31 March 2022	Total at 31 March 2021
	£	£
Equities	**738,980**	710,056
Pooled Units	**46,819**	40,717
Cash held by Fund Manager	**11,660**	10,360
Total	**797,459**	761,133

12. DEBTORS

	2022	2021
	£	£
Other debtors	**11,315**	17,283

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	**67,226**	70,986
Other creditors	**-**	12,234
Deferred income	**-**	2,631
Total	**67,226**	85,851

14. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Deferred income	**140,488**	141,951
Other creditors	**-**	-
Total	**140,488**	141,951

	2022	2021
Deferred income analysis within creditors:	**£**	£
Balance at 1st April	**141,951**	145,440
Amounts released to income	**(1,463)**	(858)
Balance at 31 March	**140,488**	144,582

Deferred income: lease to Gresham Almshouses

The City of London Almshouses (CoLA) owns the site. An agreement was entered into with Gresham Almshouses operated by the Sir Thomas Gresham Charity (charity number 221982) dated 7 December 1994 for the lease of the site for the next 125 years for the sum of £180,000.The deferred income is recognised on a straight line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term creditor.

15. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022

	Unrestricted funds		Restricted funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	General funds	Designated funds				
	£	£	£	£	**£**	£
Tangible fixed assets	270,329	338,939	1,319,751	-	**1,929,019**	1,764,496
Fixed assets - investments	616,044	181,415	-	-	**797,459**	761,133
Current assets	685,473	-	-	37,648	**723,121**	809,078
Total liabilities	(207,714)	-	-	-	**(207,714)**	(227,802)
Total	1,364,132	520,354	1,319,751	37,648	**3,241,885**	3,106,905

At 31 March 2021

	Unrestricted funds		Restricted funds	Endowment funds	Total at 31 March 2021	Total at 31 March 2020
	General funds	Designated funds				
	£	£	£	£	£	£
Tangible fixed assets	277,629	167,116	1,319,751	-	1,764,496	1,690,267
Fixed assets - investments	585,458	175,675	-	-	761,133	610,889
Current assets	771,430	-	-	37,648	809,078	810,079
Total liabilities	(227,802)	-	-	-	(227,802)	(239,213)
Total	1,406,715	342,791	1,319,751	37,648	3,106,905	2,872,022

16. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	**Total as at 31 March 2022 £**
Endowment funds:						
Permanent endowment	37,648	-	-	-	-	**37,648**
Restricted funds:						
Social Housing Grant	1,319,751	-	-	-	-	**1,319,751**
Unrestricted funds:						
General funds	1,406,715	326,033	(222,668)	25,875	(171,823)	**1,364,132**
Designated funds:						
Cyclical repairs	36,000	-	-	-	-	**36,000**
Capital reserves fund	167,116	-	-	-	171,823	**338,939**
Extraordinary repairs	139,675	-	-	5,740	-	**145,415**
Total unrestricted funds	1,749,506	326,033	(222,668)	31,615	-	**1,884,486**
Total funds	3,106,905	326,033	(222,668)	31,615	-	**3,241,885**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2021 £
Endowment funds:						
Permanent endowment	37,648	-	-	-	-	37,648
Restricted funds:						
Social Housing Grant	1,319,751	-	-	-	-	1,319,751
Unrestricted funds:						
General funds	1,277,105	354,290	(270,215)	127,064	(81,529)	1,406,715
Designated funds:						
Cyclical repairs	36,000	-	-	-	-	36,000
Capital reserves fund	85,587	-	-	-	81,529	167,116
Extraordinary repairs	115,931	-	-	23,744	-	139,675
Total unrestricted funds	1,514,623	354,290	(270,215)	150,808	-	1,749,506
Total funds	2,872,022	354,290	(270,215)	150,808	-	3,106,905

Purpose of endowment funds

The permanent endowment is held to generate income that is accounted for within the unrestricted funds This original permanent endowment can only be used at the winding up the Trust.

Purpose of the restricted funds

Social Housing Grant

Social Housing Grants are repayable under certain circumstances, primarily following the sale of a property.

Purpose of the unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income. Any undistributed annual income is held for use in future years in accordance with the objectives of the Trust.

Purpose of the designated funds

Those unrestricted funds that have been set aside by the Trustee for specific purposes, as follows:

Cyclical repairs

Provision for future repainting, consists of yearly transfers from the revenue account based on the expected cost of repainting and transferred out to the revenue account in the year when cost arises.

Extraordinary repairs

To fund the future extraordinary repair, improvement or rebuilding of the Trust's property, consisting of yearly transfers based on income generated from investments

alongside any increase or decrease in the market value of the investments representing this reserve.

17. RELATED PARTY TRANSACTIONS

The City Corporation acting by the Court of Aldermen is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	**41,533 (nil)**	31,388 (nil)	Distribution from the Charities Pool
Sir Thomas Gresham Charity (221982)	The City of London Corporation is the Trustee for the charity	**1,463 (140,488)**	3,489 (141,951)	Sir Thomas Gresham Charity entered into a 125 year lease of the site from COLA as per the agreement dated 7 December 1994

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Almshouses

Registered charity number: 1005857

The Register of Social Housing Providers Number: A2266

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane – The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe U.K. LLP, 5 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

City Educational Trust Fund

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 290840

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 5

FINANCIAL REVIEW 5

TRUSTEE RESPONSIBILITIES 7

INDEPENDENT EXAMINER'S REPORT 9

STATEMENT OF FINANCIAL ACTIVITIES 10

BALANCE SHEET 11

NOTES TO THE FINANCIAL STATEMENTS 12

REFERENCE AND ADMINISTRATION DETAILS 19

ORIGINS OF THE CHARITY

The charity was established by section 25 of the City of London Various Powers Act 1967 which declared that the previous Coal Market Fund (holding the balance of funds remaining in respect of the appropriation of the City of London Coal Market to other purposes when that market ceased to exist) and designated the “City Educational Trust Fund”, was under that Act designated the “City Educational Trust Fund”. Further, from the passing of the Act on 20 December 1967 the Act provided that the fund was to be held by the City Corporation acting by the Common Council, and the capital and interest applied for specified charitable purposes for the advancement of education.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

This Trust was constituted by section 25 of the City of London Various Powers Act 1967 as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a corporation by prescription, is the Trustee of the City Educational Trust Fund. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Education Board (a committee of the Court of Common Council) has principal responsibility for administering the charity for the Trustee under the City Corporation's usual corporate governance and delegation framework. The Education Board comprises Aldermen and Commoners appointed to the committee in accordance with the usual procedures for committee membership. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of

the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Trustees believe that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives, resulting in the plans for a new strategic grant making programme detailed below in 'plans for future periods'. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The purposes for which the City Educational Trust Fund was established under section 25 of the City of London Various Powers Act 1967 declared that the capital and interest of the fund shall be applied by the City of London Corporation as it thinks fit, for one or more of the following purposes as it may from time to time determine:

(1) for the advancement of the objects of the City University constituted by Royal Charter granted on 23 May 1966, or any of such objects or for other educational purposes connected with, or related to the said university; and

(2) without prejudice to the generality of the foregoing paragraph, for the advancement of education in science and technology, business management and commerce by the promotion of research, study, teaching and training in and of such subjects, or any of them, or without prejudice to the generality of the foregoing, for the advancement of the study and teaching biology and ecology, or for the advancement of research, study and teaching in and of the cultural arts.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 19.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the City Educational Trust Fund's aims and objectives and in planning future activities. The purposes of the charity are: to advance the objects of the City University or any such objects for educational purposes connected with or related to said university, and to advance education in science and technology, business management and

commerce by promoting research, study teaching and training in biology, ecology or the advancement of research and teaching of the cultural arts.

Consequently, the Trustee considers that the City Educational Trust Fund operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU) within the Town Clerk's department, which is an internal department of The City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be resident and studying in the City of London or London Boroughs. There are two application deadlines each year when funds are available.

The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU) within the Town Clerk's department, which is an internal department of The City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 19.

ACHIEVEMENTS AND PERFORMANCE

A review of the City Educational Trust's activities took place during the year, to ensure that the charity is operating effectively and has appropriate governance in place.

Following the review, recommendations were adopted in July 2021 that all the charity's funds be spent out over the medium term (3-5 years) and the charity then be closed. Options for grant programmes are being developed in collaboration with the education sector. Due to the new approach, no grants were awarded in the year but once the programme details have been agreed grant making will commence.

PLANS FOR FUTURE PERIODS

The charity is developing a strategic grant programme which will commence in 2022/23 and is expected to end in the 2026/27 financial year with the closure of the charity.

The planned focus of the grants programme will focus on the CETF's secondary object, "*the advancement of research, study and teaching in and of the cultural arts".* It is expected to focus on enabling primary school teachers in London to access cultural opportunities and training to enhance the teaching of the cultural arts.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £205,961, an overall increase of £49,899 from the previous year (2020/21: £156,062). All income received was from investments.

Expenditure

Total expenditure for the year was £8,434 (2020/21: £2,023). This comprised support costs recharged by the City of London Corporation for the administration of the charity. The City Corporation, as Trustee, commenced reimbursement of costs relating to the administration of the charity in 2021/22. No grants were awarded in the year due to the strategic review and work on developing a new grants programme that will commence in 2022/23.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the

benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three- and five-year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
City of London Charities Pool	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund outperformance	**2.04%**	**1.46%**	+1.85%	+0.90%

Funds held

The charity's total funds held increased by 9.4% to £4,348,848 at 31 March 2022 (2020/21: £3,974,199). Within the total funds held, £3,984,878 (2020/21: £3,805,766) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted income funds amounted to £363,970 (2020/21: £168,433). These funds are held for use in future years in accordance with the objectives of the trust.

Details of all funds held, including their purposes, is set out within Note 11 of the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee has revised its reserves policy in 2021/22 to meet future working capital needs. The Trustee believes that a minimum amount of £9,000 to cover the support costs; should be held at present and this will be subject to annual review. At 31 March 2022, the charity held £363,970 as free reserves, it is planned that reserves will be reduced in line with target levels as a result of the implementation of the new strategic grant making programme,

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound, practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. The charity is in the process of updating its risk assessment process and developing a revised risk register. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF CITY EDUCATIONAL TRUST FUND

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Investments	2	205,961	-	**205,961**	156,062
Total income		205,961	-	**205,961**	156,062
Expenditure on:					
Charitable activities	3	8,434	-	**8,434**	2,023
Total expenditure		8,434	-	**8,434**	2,023
Net gains/(losses) on investments	8	-	179,112	**179,112**	739,791
Net (losses)/gains on short term deposit		(1,990)	-	**(1,990)**	138
Net income and net movement in funds		195,537	179,112	**374,649**	893,968
Reconciliation of funds:					
Total funds brought forward	11	168,433	3,805,766	**3,974,199**	3,080,231
Total funds carried forward	11	363,970	3,984,878	**4,348,848**	3,974,199

The above results were derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The Notes on pages 12 to 18 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	8	**3,927,669**	3,748,557
Total fixed assets		**3,927,669**	3,748,557
Current assets			
Cash at bank and in hand		**432,753**	237,216
Total current assets		**432,753**	237,216
Creditors: Amounts falling due within one year	9	**(11,574)**	(11,574)
Net current assets		**421,179**	225,642
Total net assets		**4,348,848**	3,974,199
The funds of the charity:			
Endowment funds	11	**3,984,878**	3,805,766
Unrestricted income funds	11	**363,970**	168,433
Total funds		**4,348,848**	3,974,199

The notes on pages 12 to 18 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base, unless a decision is taken by the Trustee to not issue grants due to uncertainty in future cash and funds available. In 2021/22 no grants were awarded because of limited funds available. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustees has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12 months period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income, provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised

and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22	Unrestricted funds 2020/21
	£	£
Investment income	**204,558**	154,592
Interest	**1,403**	1,470
Total	**205,961**	156,062

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds
	Direct costs	Support costs	**Total 2021/22**	Total 2020/21
	£	£	**£**	£
Grants Awarded	-	8,434	**8,434**	2,023
Totals		8,434	**8,434**	**2,023**

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	Governance costs	Total 2021/22	Total 2020/21
	£	£	£	£
Legal fees	11	-	**11**	2,023
Management & Administration fees	6,673	-	**6,673**	-
Independent Examination Fees	-	1,750	**1,750**	-
Sub- total	6,684	1,750	**8,434**	2,023
Reallocation of governance costs	1,750	(1,750)	-	-
Total Support costs	**8,434**	**-**	**8,434**	**2,023**

Support costs are allocated based on direct costs on charitable activities.

5. ANALYSIS OF GRANTS AWARDED

Reconciliation of grants payable:	**2021/22**	2020/21
	£	£
Commitments at 1 April	**11,574**	57,662
Commitments made in the year	**-**	-
Grants paid in the year	**-**	(46,088)
Commitments at 31 March (note 8)	**11,574**	11,574

There were no grants awarded in 2022.

The Epping Forest Field Centre grant which is still outstanding was delayed due to Covid and the project did not start until September 2021.

6. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the fee incurred for the independent examination/audit of each of its charities, which was previously funded by City's Cash. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year (2020/21: £nil).

7. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	3,748,557	3,008,766
Gain/(Loss) for the year	179,112	739,791
Market value 31 March	**3,927,669**	3,748,557
Cost 31 March	**442,314**	442,314
Units held in Charities Pool	423,949	423,949

The type of listed investments held as at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	447,755	3,193,195	**3,640,950**	3,061,377	435,628	3,497,005
Pooled Units	231,732	-	**231,732**	200,528	-	200,528
Cash held by Fund Manager	54,987	-	**54,987**	51,024	-	51,024
Total	734,474	3,193,195	**3,927,669**	3,312,929	435,628	3,748,557

9. CREDITORS – Amounts due within one year

	2022	2021
	£	£
Grants awarded	**11,574**	11,574

The Epping Forest Field Centre grant was outstanding at the end of the year.

10. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022

	Unrestricted: general funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	£
Fixed assets - investments	-	3,927,669	3,927,669	3,748,557
Current assets	375,544	57,209	432,753	237,216
Current liabilities	(11,574)	-	(11,574)	(11,574)
Total	363,970	3,984,878	4,348,848	3,974,199

At 31 March 2021

	Unrestricted: general funds	Endowment funds	**Total at 31 March 2021**	Total at 31 March 2020
	£	£	£	£
Fixed assets - investments	-	3,748,557	3,748,557	3,008,766
Current assets	180,007	57,209	237,216	129,127
Current liabilities	(11,574)	-	(11,574)	(57,662)
Total	168,433	3,805,766	3,974,199	3,080,231

11. MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	**Total as at 31 March 2022**
	£	£	£	£	**£**
Endowment funds:					
Expendable endowment	3,805,766	-	-	179,112	**3,984,878**
Unrestricted funds:					
General funds	168,433	205,961	(8,434)	(1,990)	**363,970**
Total funds	3,974,199	205,961	(8,434)	177,122	**4,348,848**

At 31 March 2020	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Total as at 31 March 2021
	£	£	£	£	£
Endowment funds:					
Expendable endowment	3,065,975	-	-	739,791	3,805,766
Unrestricted funds:					
General funds	14,256	156,062	(2,023)	138	168,433
Total funds	3,080,231	156,062	(2,023)	739,929	3,974,199

Purpose of the endowment fund

The expendable endowment fund is invested in the capital fund to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after grants are charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the trust.

12. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
Charities Pool		**109,726**	154,592	Distribution from the Charities Pool
Charity registration no. 1021138 City of London Corporation	The charity's investments are held in units of London Charities Pool			
		(-)	(-)	
City of London Corporation		**(8,434)**	2,023	Central Grants Unit management and administration fees
	The City of London Corporation is the Trustee for the charity			
		(-)	(-)	

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: City Educational Trust Fund

Registered charity number: 290840

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation and Chief Financial Officer (appointed 1 May 2021)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-DeputyChamberlain@cityoflondon.gov.uk

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The City of London Corporation Combined Relief of Poverty Charity

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1073660

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 4

FINANCIAL REVIEW 4

TRUSTEE RESPONSIBILITIES 6

INDEPENDENT EXAMINER'S REPORT 8

STATEMENT OF FINANCIAL ACTIVITIES 9

BALANCE SHEET 10

NOTES TO THE FINANCIAL STATEMENTS 11

REFERENCE AND ADMINISTRATION DETAILS 18

ORIGINS OF THE CHARITY

The charity was established with the name of The Jenner Bequest (1073660) by a Charity Commission Scheme dated 11 December 1996. The charity's funds were derived from part of the residuary estate of Mr Jenner which was originally bequeathed upon trust for the Lord Mayor of London's Fund for the benefit of widows and orphans of Freemen of the City of London. On 9 June 2011, following a review of various charities associated with or under the trusteeship of the City of London, the Charity Commission granted a Scheme to administer The Jenner Bequest as one charity with two other historic charities also benefiting Freemen and/or their families and operating for the relief of need/poverty; and the charity was renamed : "The City of London Corporation Combined Relief of Poverty Charity". The two other charities were the Sir John Philpot's Charity (206932), established by his Will of 1381; and Mary Wilkes's Charity (206934) established by her Will of 18 July 1800.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this charity is set out in its governing Scheme issued by The Charity Commission for England and Wales on 9 June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a corporation by prescription, is the Trustee of The City of London Corporation Combined Relief of Poverty Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

The City of London's Children's and Community Services Committee - administers the Charity on behalf of the Trustee. This committee comprises Aldermen and Commoners appointed to this committee in accordance with the City of London's usual procedures for committee membership.

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity;

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent, and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during 2021/22 and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the relief of those in need by reason of poverty, old age, ill health, accident or infirmity who are either the widow, widower or child of a Freeman of the City of London or who reside in the City of London or the London Boroughs by the provision of grants, items and services or such other support as the Trustee determines.

The charity falls under the policy of the Stronger Communities theme of the City of London Corporation's Central Grants Programme. Grants issued through this theme will be awarded to projects or services that are being delivered for the benefit of communities or beneficiaries within the City of London and its housing estates across London.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 18.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Relief of Poverty Charity's aims and objectives and in planning future activities. The purpose of the charity is as stated above.

Consequently, the Trustee considers that The City of London Corporation Combined Relief of Poverty Charity operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. The assessment, management and oversight of the Charity's grant making is provided by the Central Grants Unit, which is an internal department of The City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

ACHIEVEMENTS AND PERFORMANCE

The Charity awarded one strategic grant for £60,000 in 2021/22 (2 grants for £15,795 in 2020/21) to the First Love Foundation. The grant was in response to the growing need for foodbank and poverty advice services due to the Covid-19 pandemic. The grant was awarded to deliver a bespoke foodbank and advice service for beneficiaries in the City of London and in bordering boroughs.

PLANS FOR FUTURE PERIODS

The Charity will undergo a further review of its governance and funding strategy as part of the City of London's Corporate Charity Review. Options for future strategic grants will be considered.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 11.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £23,128, an overall increase of £4,449 from the previous year (£18,679).

All income received was from investments.

Expenditure

Total expenditure for the year was £66,357 (2020/21: £19,963). In the year, the charity awarded £60,000 for 1 grant (2021/22: £15,795, 2 grants); the increased activity compared to 2021/22 was due to the charity's support of the local response to the Covid-19 pandemic. Additionally, there was £6,357 costs (Note 3) of administering the charity. The City Corporation, as Trustee, commenced reimbursement of costs relating to the administration of the charity in 2021/22.

Investment performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three- and five-year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
City of London Charities Pool	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund outperformance	**2.04%**	**1.46%**	1.85%	0.90%

Funds held

The charity's total funds held decreased by £24,489 (4.4%) to £532,997 at 31 March 2022 (2021/22: £557,486). Within the total funds held, £115,881 represent expendable and permanent endowment funds (2021/22: £110,596) with £3,784 (2020/21: £3,784) being permanent funds which are held in perpetuity as a capital fund to generate income for the primary objectives of the charity. Any income arising from endowment funds held is accounted for within unrestricted funds.

A restricted fund of £371,595 (2020/21: £357,716) was held at year-end. This fund holds the net assets that transferred on 31 October 2018 from the Corporation of London Benevolent Association (charity number 206643) to be used for the purposes of this charity.

Unrestricted income funds amounted to £45,520 (2020/21: £89,174). These funds are held for use in future years in accordance with the objectives of the charity.

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Reserves

This Reserves Policy is to maintain the endowment funds of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income, together with other funds, in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment, in addition to the unrestricted fund and restricted fund as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustee believes that a minimum amount of £10,000 should be held at present, which will be subject to annual review. At 31 March 2022 the charity held £45,520 as free reserves, amounts which are available to support charitable activities in future years. The charity currently holds free reserves in excess of its target of £10,000 and is developing plans for future strategic grants to apply these funds.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. The charity is in the process of updating its risk assessment process and developing a revised risk register. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011.The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's Independent Examiners are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON COMBINED RELIEF OF POVERTY CHARITY

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:						
Investments	2	23,128	-	-	**23,128**	18,679
Total income		23,128	-	-	**23,128**	18,679
Expenditure on:						
Charitable activities	3	66,357	-	-	**66,357**	19,963
Total expenditure		66,357	-	-	**66,357**	19,963
Net gains/(losses) on investments	7	622	13,879	5,285	**19,786**	81,721
Net (losses)/gains on short term deposit		(1,046)	-	-	**(1,046)**	93
Net (expenditure)/income and net movement in funds		(43,653)	13,879	5,285	**(24,489)**	80,530
Reconciliation of funds:						
Total funds brought forward	10	89,174	357,716	110,596	**557,486**	476,956
Total funds carried forward	10	45,521	371,595	115,881	**532,997**	557,486

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 11 to 17 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	7	**433,875**	414,089
Total fixed assets		**433,875**	414,089
Current assets			
Cash at bank and in hand		**99,122**	143,397
Total current assets		**99,122**	143,397
Total net assets		**532,997**	557,486
The funds of the charity:			
Endowment funds	10	**115,881**	110,596
Restricted income funds	10	**371,595**	357,716
Unrestricted income funds	10	**45,521**	89,174
Total funds		**532,997**	557,486

The notes on pages 11 to 17 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income, provides the flexibility to ensure the long-term viability of the. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of managed investment income and interest. The previous year included the receipt of funds as part of the closure of another charity.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, gains and losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Expendable endowment fund – this fund consists of funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Restricted funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the restricted, permanent and expendable endowment funds and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**12,010**	17,077
Interest	**11,118**	1,602
Total	**23,128**	18,679

3. EXPENDITURE ON CHARITABLE ACTIVITES

	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Grants awarded - unrestricted	60,000	6,357	**66,357**	15,795	2,668	18,463
Grants awarded - restricted	-	-	-	1,500	-	1,500
Total	**60,000**	**6,357**	**66,357**	17,295	2,668	19,963

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	**Governance costs**	**Total 2021/22**	Total 2020/21
Independent examination fees	-	1,750	1,750	
Legal fees	946	-	946	2,024
Management & administration fees	3,661	-	3,661	644
Sub-total support costs	**4,607**	**1,750**	**6,357**	**2,668**
Reallocation of Governance costs	1,750		-	-
Total Support Costs	**6,357**	**-**	**6,357**	5,336

Support costs are allocated to charitable activities on the basis of direct costs.

5. ANALYSIS OF GRANTS

Reconciliation of grants payable:	**2021/22**	2020/21
	£	£
Commitments at 1 April	**-**	-
Commitments made in the year	**60,000**	15,795
Grants paid in the year	**(60,000)**	(15,795)
Commitments at 31 March	**-**	-

During the year, a grant was awarded to First Love Foundation to continue providing emergency advice and food support to residents in crisis within the City of London and surrounding Boroughs.

6. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the audit/independent examination of each of its charities. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year.

7. TRUSTEE EXPENSES

The Members of the Finance Committee of the City Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	414,089	332,368
Additions: transfers from another charity	-	-
Gain/(Loss) for the year	19,786	81,721
Market value 31 March	**433,875**	414,089
Cost 31 March	**320,941**	320,941
Units held in Charities Pool	46,832	46,832

The type of listed investments held at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	49,462	352,740	**402,202**	338,178	48,123	386,301
Pooled Units	25,599	-	**25,599**	22,152	-	22,152
Cash held by Fund Manager	6,074	-	**6,074**	5,636	-	5,636
Total	81,135	352,740	**433,875**	365,966	48,123	414,089

9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted funds	Restricted funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	General funds				
	£		£	£	£
Fixed assets - Investments	13,647	304,347	115,881	433,875	414,089
Current Assets	31,874	67,248	-	99,122	143,397
Total	45,521	371,595	115,881	532,997	557,486

At 31 March 2021	Unrestricted funds	Restricted funds	Endowment funds	**Total at 31 March 2021**	Total at 31 March 2020
	General funds				
	£		£	£	£
Fixed assets - Investments	13,024	290,469	110,596	414,089	332,368
Current Assets	76,150	67,247	-	143,397	144,588
Total	89,174	357,716	110,596	557,486	476,956

10. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	**Total as at 31 March 2022 £**
Endowment Funds					
Expendable	106,812	-	-	5,104	**111,916**
Permanent	3,784	-	-	181	**3,965**
Total Endowment Funds	110,596	-	-	5,285	**115,881**
Restricted Funds	357,716	-	0	13,879	**371,595**
Total Restricted Funds	357,716	-	0	13,879	**371,595**
General Funds	89,174	23,128	(66,357)	(424)	**45,521**
Total General Funds	89,174	23,128	(66,357)	(424)	**45,521**
Total Funds	**557,486**	**23,128**	**(66,357)**	**18,740**	**532,997**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2021 £
Endowment Funds					
Expendable	85,732	-	-	21,080	106,812
Permanent	3,038	-	-	746	3,784
Total Endowment Funds	88,770	-	-	21,826	110,596
Restricted Funds	301,891	-	(1,500)	57,325	357,716
Total Restricted Funds	301,891	-	(1,500)	57,325	357,716
General Funds	86,295	18,679	(18,463)	2,663	89,174
Total General Funds	86,295	18,679	(18,463)	2,663	89,174
Total Funds	476,956	18,679	(19,963)	81,814	557,486

Purpose of the endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity and represents the original assets transferred from the Mary Wilkes's Charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

The expendable endowment fund represents the original expendable endowment of the charity and can be utilised at the discretion of the trustee.

Purposes of restricted funds

This fund holds the net assets that were transferred in October 2018 from the now closed Corporation of London Benevolent Association (charity number: 206643) to be used for the purposes of the Combined Relief of Poverty Charity.

Unrestricted income funds

These funds can be used in accordance with the charitable objects at the discretion of the Trustee and include income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

11. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
Charities Pool Charity registration no. 1021138 City of London Corporation	The charity's investments are held in units of London Charities Pool	**21,344** (-)	17,170 (-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	**6,357** **(-)**	2,668 (-)	Management and administration fees (also includes the audit fee and finance time, no role of CGU

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Relief of Poverty Charity

Registered charity number: 1073660

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation and Chief Financial Officer (appointed 1 May 2021)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINERS:

Crowe, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents: PA-DeputyChamberlain@cityoflondon.gov.uk

City of London Freemen’s School Bursary Fund

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 284769

CONTENTS

ORIGINS OF THE CHARITY 2

TRUSTEE'S ANNUAL REPORT 3

ACHIEVEMENTS AND PERFORMANCE 5

FINANCIAL REVIEW 6

TRUSTEE'S RESPONSIBILITIES 8

INDEPENDENT EXAMINER'S REPORT 10

STATEMENT OF FINANCIAL ACTIVITIES 11

BALANCE SHEET 12

NOTES TO THE FINANCIAL STATEMENTS 13

REFERENCE AND ADMINISTRATION DETAILS 22

ORIGINS OF THE CHARITY

The City of London Freemen's School Bursary Fund charity was registered on 8 July 1982. It was previously governed by the governing document dated 30 April 1982 and its supplementary deeds of 25 August 1993 and 29 April 1997. The governing document and the supplementary deeds were replaced on 1 December 2011 by the governing scheme approved by The Charity Commission for England and Wales.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document for the City of London Freemen's School Bursary Fund is the Scheme approved by The Charity Commission for England and Wales on 1 December 2011. This Scheme replaces the previous governing document dated 30 April 1982 and its supplementary deeds of 25 August 1993 and 29 April 1997.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of the City Of London Freemen's School Bursary Fund. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills. Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London.

The key Committee which has responsibility for directly managing matters related to the charity is the Board of Governors of the City of London Freemen's School, which is ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the promotion of education (including physical training) by the provision of bursaries and other forms of financial assistance for fees and / or other costs incurred through attendance at the School to enable pupils to further their education at the School by, for example, providing financial assistance to those who:

(1) would not be able to enter the School having been accepted; or
(2) having commenced education at the School would not be able to continue their education at the School.

Income can also be used for such other charitable purposes as shall be associated with the School, as the Trustee shall direct.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London & Chief Financial Officer, at the email address stated on page 22.

Policy on grant making

The charity has established its grant making policies to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. The assessment, management and oversight of the charity's grant making is provided by the City of London Freemen's School Bursary Fund, the Bursar and the Chamberlain's, which is an internal department of The City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the Beneficiaries.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the City of London Freemen's School Bursary Fund's aims and objectives and in planning future activities. The purposes of the charity are as stated above.

Consequently, the Trustee considers that the City of London Freemen's School Bursary Fund operates to benefit the general public and satisfy the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 22.

ACHIEVEMENTS AND PERFORMANCE

The target for 2021/22 was to continue to contribute towards fees of pupils at the City of London Freemen's School where financial hardship would cause the pupil to be unable to enter or continue at the School. In line with this, two bursaries (2021/22: three bursaries) were awarded during the year amounting to £38,317 (2020/21: £33,501).

PLANS FOR FUTURE PERIODS

The objective for 2022/23 is to continue to contribute towards the tuition fees payable to the City of London Freemen's School for pupils who, but for financial assistance, would not be able to continue at or enter the School.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 13.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £174,083, an overall reduction of £94,985 against the previous year (2020/21: charity's total income for the year was £269,068).

The key contributor to income was voluntary income, amounting to £104,668 (2020/21: £221,282), with further income from managed investments of £68,178 (2020/21: £46,174) and £1,237 (2020/21: £1,612) of interest from cash balances held.

Expenditure

Total expenditure for the year was £43,225, of which £38,317 was bursary awards, with £4,908 of support costs (2020/21: £36,549 of expenditure, of which £33,501 was made up of bursary awards, and £3,048 in support costs).

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund outperformance	**2.04%**	**1.47%**	1.85%	0.90%

Funds held

The charity's total funds held increased by £182,792 (12.3%) to £1,670,333 as at 31 March 2022 (2020/21: total funds held increased by £455,665 (44.2%) to £1,487,541 as at 31 March 2021).

Unrestricted income was made up of voluntary income of £104,668 (2020/21: £221,282) and investment income of £69,415 (2020/21: £47,786), with unrestricted expenditure of £43,225 (2020/21: £36,549). The remaining balance of the fund was £361,622as at 31 March 2022 (2020/21: £232,519).

The other funds of the charity are represented by expendable endowment fund which is held to generate income for the primary objectives of the charity. The fund balance

was £1,308,711 at 31 March 2022 (2020/21: £1,255,022). Any undistributed income is held for use in future years in accordance with the objectives of the charity.

Details of funds held, including their purposes, is set out within note 11 to the financial statements.

Reserves policy

The reserves policy is to maintain the expendable funds of the charity in investments in the Charities Pool administered by the City of London Corporation and to use the investment income together with other funds, in accordance with the objectives of the charity. The trustee revised its policy in 2020/21 and believes that an amount of at least £4,908 should be held at present to meet future working capital needs, representing 12 months of administration and external account examination fees. Current free reserves held are £361,622; this is above the minimum required, which is being factored into plans for future periods, including those noted on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare the financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy (corpoflondon.gov.uk)

Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy (corpoflondon.gov.uk)

Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON FREEMEN'S SCHOOL BURSARY FUND

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2021/22 Unrestricted Funds £	2021/22 Endowment Funds £	2021/22 Total Funds £	2020/21 Total Funds £
Income and endowments from:					
Voluntary income	2	104,668	-	**104,668**	221,282
Investments	3	69,415	-	**69,415**	47,786
Total income		174,083	-	**174,083**	269,068
Expenditure on:					
Charitable activities	4	43,225	-	**43,225**	36,549
Total expenditure		43,225	-	**43,225**	36,549
Net gains on investments	8	-	53,689	**53,689**	222,751
Fair Value Movements		(1,755)	-	**(1,755)**	395
Net movement in funds		129,103	53,689	**182,792**	455,665
Reconciliation of total funds:					
Brought forward	11, 12	232,519	1,255,022	**1,487,541**	1,031,876
Carried forward	11, 12	361,622	1,308,711	**1,670,333**	1,487,541

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 13 to 21 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 Total £	2021 Total £
Fixed assets:			
Investments	8	**1,384,255**	1,166,260
Total fixed assets		**1,384,255**	1,166,260
Current assets			
Cash at bank and in hand		**280,035**	301,626
Debtors	9	**20,183**	31,202
Total current assets		**300,218**	332,828
Creditors: Amounts falling due within one year	10	**(14,140)**	(11,547)
Net current assets		**286,078**	321,281
Total net assets	11, 12	**1,670,333**	1,487,541
The funds of the charity:			
Endowment funds	11, 12	**1,308,711**	1,255,022
Unrestricted funds	11, 12	**361,622**	232,519
Total funds	11, 12	**1,670,333**	1,487,541

The notes on pages 13 to 21 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London & Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from donations and investments, so maintaining its capital base.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving commitments from available income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the

estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of donations, investment income and interest.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff, however the costs of bursaries administration, incurred by the City of London Corporation, are charged to the charity.

Officers of the City Corporation provide additional administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek full reimbursement for the administration incurred from each of its charities.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to pool small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to particular fund according to their purpose:
Expendable endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.
Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM VOLUNTARY ACTIVITIES

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Donations and legacies	**50,335**	122,875
Gift Aid - HMRC	**1,950**	18,198
City of London Corporation match-funding	**52,383**	80,209
Total	**104,668**	221,282

The City of London Corporation match-funds external donations received up to the value of 2.5% of the school's tuition fee income in any one financial year.

3. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**68,178**	46,174
Interest	**1,237**	1,612
Total	**69,415**	47,786

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds
	Direct costs £	**Support costs**	**Total 2021/22**	2020/21 **£**
Bursaries awarded:	38,317	4,908	**43,225**	33,501
Total	**38,317**	**4,908**	**43,225**	**33,959**

Charitable activities consisted of two bursaries awarded to individuals (2020/21: three bursaries were awarded to individuals).

5. OTHER EXPENDITURE

Analysis of support costs

	Charitable activities	**Governance costs**	**Total 2021/22**	Total 2020/21
	£	**£**	**£**	£
Management & administration fees	3,158	-	**3,158**	2,590
Independent examination fees	-	1,750	**1,750**	458
Sub- total	3,158	1,750	**4,908**	3,048
Reallocation of governance costs	1,750	(1,750)	**-**	-
Total support costs	**4,908**	**-**	**4,908**	**3,048**

6. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the audit/independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 £1,750 independent examination fee was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year.

7. TRUSTEE EXPENSES

The members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	Total 31 March 2022 £	Total 31 March 2021 £
Market value 1 April	**1,166,260**	850,427
Additions	**164,306**	93,082
Gain for the year	**53,689**	222,751
Market value 31 March	**1,384,255**	1,166,260
Cost 31 March	**1,020,857**	856,551
Units held in Charities Pool	**149,423**	131,900

The type of listed investments held as at 31 March was as follows:

	Total 31 March 2022 £	Total 31 March 2021 £
Equities	**1,283,204**	1,088,120
Pooled Units	**81,671**	61,812
Cash held by Fund Manager	**19,380**	16,328
Total	**1,384,255**	1,166,260

9. DEBTORS – AMOUNTS DUE WITHIN ONE YEAR

	Total 31 March 2022 £	Total 31 March 2021 £
HMRC - Gift Aid	**20,148**	18,198
Donations	**35**	12,926
HMRC - VAT	**-**	78
Total	**20,183**	31,202

10. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	Total 31 March 2022 £	Total 31 March 2021 £
Bursaries awarded	**14,140**	11,547

11. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted £	Endowment £	**Total 31 March 2022 £**	Total 31 March 2021 £
Fixed assets - investments	75,544	1,308,711	**1,384,255**	1,166,260
Current assets	300,218	-	**300,218**	332,828
Current liabilities	(14,140)	-	**(14,140)**	(11,547)
Total	**361,622**	**1,308,711**	**1,670,333**	1,487,541

At 31 March 2021	Unrestricted	Endowment	Total 31 March 2021 £	Total 31 March 2020 £
Fixed assets - investments	-	1,166,260	1,166,260	850,427
Current assets	232,519	100,309	332,828	195,152
Current liabilities	-	(11,547)	(11,547)	(13,703)
Total	**232,519**	1,255,022	1,487,541	1,031,876

12. MOVEMENT IN FUNDS

At 31 March 2022	Total 1 April 2021 £	Income £	Expenditure £	Gain £	Fair value £	**Total 31 March 2022 £**
Expendable endowment	1,255,022	-	-	53,689	-	**1,308,711**
Unrestricted funds	232,519	174,083	(43,225)	-	(1,755)	**361,622**
Total funds	**1,487,541**	**174,083**	**(43,225)**	**53,689**	**(1,755)**	**1,670,333**

At 31 March 2021	Total 1 April 2020 £	Income £	Expenditure £	Gain £	Fair value £	Total 31 March 2021 £
Expendable endowment	1,031,876	-		222,751	395	1,255,022
Unrestricted funds	-	269,068	(36,549)	-	-	232,519
Total funds	1,031,876	269,068	(36,549)	222,751	395	1,487,541

A gain of £53,689 (2020/21: a gain of £222,751) occurred on investments, based on valuations as at 31 March 2022.

Purpose of expendable endowment funds

The expendable endowment funds are held to enable the charity to undertake its charitable objectives and support the awarding of bursaries.

Purpose of unrestricted funds

These funds can be used in accordance with the charitable objects at the discretion of the Trustee and include income generated by assets held within the expendable endowment fund. Any undistributed income is held for use in future years in accordance with the objectives of the charity.

13. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 3.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
City of London Corporation	The Trustee of the charity	**52,383**	80,209	Match-funding up to a maximum of 2.5% of tuition fee income
Charities Pool	The Trustee of the charity	**68,178**	46,174	Distribution from the Charities Pool
City of London Corporation	The Trustee of the charity	**(4,908)**	(3,048)	Support Costs

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: City of London Freemen's School Bursary Fund

Registered charity number: 284769

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain & Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Dr Peter Kane – The Chamberlain of the City of London Corporation (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITOR:

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain & Chief Financial Officer, to request copies of governance documents:

PA-DeputyChamberlain@cityoflondon.gov.uk

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The City of London Corporation Combined Education Charity

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 312836

CONTENTS

ORIGINS OF THE CHARITY 1
STRUCTURE AND GOVERNANCE 2
ACHIEVEMENTS AND PERFORMANCE 5
FINANCIAL REVIEW 5
TRUSTEE RESPONSIBILITIES 7
INDEPENDENT EXAMINER'S REPORT 9
STATEMENT OF FINANCIAL ACTIVITIES 10
BALANCE SHEET 11
NOTES TO THE FINANCIAL STATEMENTS 12
REFERENCE AND ADMINISTRATION DETAILS 19

ORIGINS OF THE CHARITY

In June 2011, a new scheme was approved by the Charity Commission, the purpose of which was to enable more efficient management and administration. The Archibald Dawnay Scholarships (charity number 290129), Robert Blair Fellowships for Applied Science and Technology (charity number 312924) and Alan Partridge Smith Trust (unregistered) were merged into the Higher Education Research and Special Expenses Fund (HERSEF) (charity number 312836), with the name of the charity changed to The City of London Corporation Combined Education Charity.

The scheme revised and broadened the objects of the charity thereby facilitating greater flexibility in the application of funds for the public benefit.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this Trust is set out within the scheme approved by the Charity Commission in June 2011.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of The City of London Corporation Combined Education Charity. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Trustee has delegated the management of this charity to The Education Board, which comprises Aldermen and Commoners appointed to these committees in accordance with the usual procedures for committee membership. The key committees which also had responsibility for directly managing matters related to the charity during 2020/21 were as follows:

Education Board and Education Charity Sub (Education Board) Committee - responsible for reviewing the charitable activities and instigating any changes to the administrative arrangements which are considered necessary to maximise the effectiveness of the charity and ensure compliance with the City Corporation's duties as Trustee:

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing, which has resulted in the new strategic grant making programme detailed below in 'plans for future periods'. Reference is being

made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to further the education of persons (including persons born or resident in the City of London and those attending educational institutions in the City of London or the other London boroughs) attending or proposing to attend secondary, further or higher educational institutions by the provision of grants or financial assistance and by arranging or supporting education and training to extend or complement courses provided by such institutions.

The charity also aims to provide grants for staff at maintained schools and academies in the City of London and the other boroughs of London to undertake studies either at educational institutions or at other establishments provided that such study furthers their development as teachers.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 18.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Corporation Combined Education Charity's aims and objectives, as stated above, and in planning future activities.

Consequently, the Trustee considers that The City of London Corporation Combined Education Charity operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU), which is an internal department of the City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

Grants are given to educational charities and educational establishments for work that advances the objects of the charity. Beneficiaries must be (1) resident in the City of London or London boroughs and studying or proposing to study at secondary, further or higher educational institutions *or* studying or proposing to study at secondary, further or higher educational institutions in the City of London or London boroughs or (2) teaching in the City of London or London boroughs.

Grants will be primarily given to organisations, and organisations applying on behalf of individuals or groups of individuals. In exceptional circumstances applications from individuals may also be considered at the Trustee's discretion and such applications should be supported by proof that the individual applicant has unsuccessfully made determined efforts to access sufficient funds from elsewhere to enable them to attend or continue to attend secondary, further or higher educational institutions to further their education. Applications that benefit groups of individuals will be given priority over applications that benefit one individual.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 18.

ACHIEVEMENTS AND PERFORMANCE

A review of the City of London Corporation Combined Education Charity's activities took place during the year, to ensure that the charity is operating effectively and has appropriate governance in place. Following the review, recommendations were made that the charity's surplus income reserves be spent on a strategic grant making programme over the two years to 2024/25. The grant programme will work in partnership with educational institutions to distribute an anticipated £500k. . Due to the new approach, no grants were awarded in the year but once the programme has been agreed grant making will commence.

PLANS FOR FUTURE PERIODS

The new strategic grants programme is expected to commence in 2022/23.

The trustee does not consider there to be any material uncertainty around Going Concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £61,680, an overall increase of £14,792 from the prior year (2020/21: £46,888). All income received was from investments.

Expenditure

Expenditure was £8,571 (2020/21: £5,485) mainly management and administration fees (£6,623) and independent examination fees (£1,750). The City Corporation, as Trustee, commenced reimbursement of costs relating to the administration of the charity in 2021/22. No new grants were awarded in 2021/22 due to the strategic review and work on developing a new grants programme that will commence in 2022/23.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three- and five-year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
City of London Charities Pool	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund outperformance	**2.04%**	**1.46%**	1.85%	0.90%

Funds held

The charity's total funds held increased by 8.8% to £1,308,630 at 31 March 2022 (2020/21: £1,202,652), as a result of gains on investments held during the year. Within the total funds held, £799,536 (£2020/21; £764,086) represent expendable endowment funds which are held to generate income for the primary objectives of the charity. Any income arising from the endowment is accounted for within unrestricted funds. Unrestricted income funds amounted to £509,094 (2020/21: £438,566). These funds are held for use in future years in accordance with the objectives of the Trust.

Details of all funds held, including their purposes, is set out within note 9 to the financial statements.

Reserves policy

The Reserves Policy is to maintain the expendable endowment of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income in accordance with the objectives of the charity. The Trustee has the discretion to distribute the expendable endowment as grants as deemed appropriate. The free reserves of the charity are held to cover working capital needs.

The Trustees believe that a minimum amount of £9,000 should be held to meet future working capital needs. This amount is subject to annual review. At 31 March 2022 the charity held £509,094 as free reserves; the plans in place for a strategic grant making programme are expected to bring reserves back in line with the target level over the next two years. Consideration of the reserves, investment levels held, and future grant activity will be incorporated in proposals for the charity for future financial years as detailed in the Plan for Future Periods on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity, and that appropriate advice and support is provided. The charity is in the process of updating its risk assessment process and developing a revised risk register. Currently risks are considered and reviewed by the Trustee as part of charity updates at Committee meetings.

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Henry Nicholas Almroth Colthurst, Deputy Chairman of Finance Committee of The City of London Corporation

Randall Keith Anderson, Deputy Deputy Chairman of Finance Committee of The City of London Corporation

Guildhall, London

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CORPORATION COMBINED EDUCATION CHARITY

To be provided

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Investments	2	61,679	-	**61,679**	46,888
Total income		61,679	-	**61,679**	46,888
Expenditure on:					
Charitable activities	3	8,571	-	**8,571**	(5,485)
Total expenditure		8,571	-	**8,571**	(5,485)
Net gains on investments	7	18,084	35,450	**53,534**	221,373
Net losses on short term deposit		(664)	-	**(664)**	60
Net income and net movement in funds		70,528	35,450	**105,978**	273,806
Reconciliation of funds:					
Total funds brought forward	9	438,566	764,086	**1,202,652**	928,846
Total funds carried forward	9	509,094	799,536	**1,308,630**	1,202,652

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 12 to 17 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	7	**1,175,240**	1,121,706
Total fixed assets		**1,175,240**	1,121,706
Current assets			
Cash at bank and in hand		**133,390**	80,946
Total current assets		**133,390**	80,946
Total net assets		**1,308,630**	1,202,652
The funds of the charity:			
Endowment funds	9	**799,536**	764,086
Unrestricted income funds	9	**509,094**	438,566
Total funds		**1,308,630**	1,202,652

The notes on pages 12 to 17 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of only approving grant commitments from available unrestricted income provides the flexibility to ensure the long-term viability of the charity. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure, and gains/losses are allocated to particular funds according to their purpose:

Expendable endowment fund – this fund consists of endowment funds that are expendable as a result of conditions imposed by the original donors and trusts. Funds can

also be invested to generate income which can be spent on the charitable purpose of the charity, which is allocated to the unrestricted income fund.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the expendable endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22	Unrestricted funds 2020/21
	£	£
Investment income	**61,211**	46,260
Interest	**468**	628
Total	**61,679**	46,888

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs	Support costs	**Total 2020/22**	Direct costs	Support costs	Total 2020/21
	£	£	**£**	£	£	£
Grants awarded	-	8,571	**8,571**	(7,200)	1,715	(5,485)

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	Governance costs	Total 2021/22	Total 2020/21
	£	£	£	£
Legal fees	198	-	**198**	-
Management fees	6,623	-	**6,623**	1,715
Independent Examination Fees	-	1,750	**1,750**	-
Sub- total	6,821	1,750	**8,571**	1,715
Reallocation of governance costs	1,750	(1,750)	**-**	-
Total support costs	**8,571**	**-**	**8,571**	1,715

Support costs are allocated on the basis of direct costs incurred on charitable activities.

5. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the audit/independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 £1,750 independent examination fee was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year.

6. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

7. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	1,121,706	900,333
Gain/(Loss) for the year	53,534	221,373
Market value 31 March	**1,175,240**	1,121,706
Cost 31 March	**650,383**	650,383
Units held in Charities Pool	126,861	126,861

The type of listed investments held at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	1,008,551	140,849	**1,149,400**	916,077	130,356	1,046,433
Pooled Units	72,822	-	**72,822**	60,005	-	60,005
Cash held by Fund Manager	18,137	-	**18,137**	15,268	-	15,268
Total	1,099,510	140,849	**1,175,240**	991,350	130,356	1,121,706

8. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022

	Unrestricted General funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	£	£	£	£
Fixed assets - investments	396,981	778,259	**1,175,240**	1,121,706
Current assets	112,112	21,278	**133,390**	80,946
Total	**509,093**	**799,537**	**1,308,630**	1,202,652

At 31 March 2021

	Unrestricted General funds	Endowment funds	**Total at 31 March 2021**	Total at 31 March 2020
	£	£	£	£
Fixed assets - investments	378,898	742,808	1,121,706	900,333
Current assets	59,668	21,278	80,946	47,713
Current liabilities	-	-	-	(19,200)
Total	438,566	764,086	1,202,652	928,846

9. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021	Income	Expenditure	Gains & (losses)	**Total as at 31 March 2022**
	£	£	£	£	**£**
Endowment funds:					
Expendable endowment	764,086	-	-	35,450	**799,536**
Unrestricted funds:					
General funds	438,566	61,680	(8,571)	17,419	**509,094**
Total funds	**1,476,458**	**61,680**	**(8,571)**	**52,869**	**1,308,630**

At 31 March 2021	Total as at 1 April 2020	Income	Expenditure	Gains & (losses)	Total as at 31 March 2021
	£	£	£	£	£
Endowment funds:					
Expendable endowment	617,490	-	-	146,596	764,086
Unrestricted funds:					
General funds	311,356	46,888	5,485	74,837	438,566
Total funds	928,846	46,888	5,485	221,433	1,202,651

Purpose of the endowment fund

The expendable endowment fund is invested to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

Purpose of unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment income after expenditure is charged to this fund. Any undistributed annual income is held for use in future years in accordance with the objectives of the charity.

10. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
London Academy Islington (LAI)	Yes - Two Members of the City of London are governors of the Academy	**(-)** **(-)**	2,200 (-)	LAI grant application approved from the charity. (Revoked in 2020/21)
Charities Pool Charity registration no. 1021138 City of London Corporation	The City of London Corporation is the Trustee for the charity	**61,211** **(-)**	46,320 (-)	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	**8,571** **(-)**	1,715 (-)	Management and administration fees

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Corporation Combined Education Charity

Registered charity number: 312836

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation (appointed 1 May 2021)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-DeputyChamberlain@cityoflondon.gov.uk

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Emanuel Hospital

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 206952

CONTENTS

ORIGINS OF THE CHARITY....1
STRUCTURE AND GOVERNANCE....2
ACHIEVEMENTS AND PERFORMANCE....4
FINANCIAL REVIEW....4
TRUSTEE RESPONSIBILITIES....7
INDEPENDENT EXAMINER'S REPORT....8
STATEMENT OF FINANCIAL ACTIVITIES....9
BALANCE SHEET....10
NOTES TO THE FINANCIAL STATEMENTS....11
REFERENCE AND ADMINISTRATION DETAILS....18

ORIGINS OF THE CHARITY

The charity was established in 1600 under the Will of Lady Anne Dacre which provided for a hospital (or Almshouse) for “20 poor folks and 20 poor children” and which operated to benefit the poor through education and the relief of poverty. The hospital property was sold in 1892 and on 30 April 1894 by Order of the High Court of Justice (Chancery Division) a Scheme for the Regulation and Management of the Emanuel Hospital Charity was made for the payment of out-pensions to poor persons of not less than 56 years old being members of the Church of England who have resided for not less than two years in either the former parish in the City and Liberties of Westminster, the former parish of Chelsea or the former parish of Hayes. These pensioners were to be known as “Lady Dacre Pensioners”. The Scheme provided that the charity would continue to be governed by the Corporation of The Lord Mayor and Aldermen of the City of London, Governors of Emanuel Hospital. That Chancery Scheme was altered various times subsequently.

In more recent years, with a view to improving the impact and effectiveness of the charity, a new governing Scheme was sought from the Charity Commission. With effect from 27 January 2010 a new Scheme was granted which replaced the former trusts of the charity and which now governs the charity’s administration. Under this 2010 Scheme the areas of benefit were expanded to include the City of London area, the condition that beneficiaries needed to be members of the Church of England was removed, and the objects were revised. The City of London Corporation acting by the Court of Aldermen was named as the Trustee.

The Charity Commission granted a further Scheme on 22 October 2019 which altered and amended the 2010 Scheme to widen and replace the objects of the charity, and to remove restrictions on the beneficiary class, the charity’s geographical area of benefit, and how the charity’s income should be applied. The objects of the charity are now, for the public benefit, the relief of need by reason of age, ill-health, disability, financial hardship or other disadvantage of persons who are resident or have been resident in Greater London.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this charity is set out in its governing Scheme issued by The Charity Commission for England and Wales on 27 January 2010, as altered and amended by a Scheme of the Charity Commissioners dated 22 October 2019.

GOVERNANCE ARRANGEMENTS

The City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a corporation by prescription, acting by the Court of Aldermen is the Trustee of Emanuel Hospital. Aldermen are elected to their office through an open process and the Aldermen collectively discharge the City Corporation's duties as Trustee by virtue of the positions that they hold in accordance with the charity's governing document. The Aldermen, by virtue of their office and membership of the Court of Aldermen, have a duty to support the City Corporation in discharge of its duties and exercise of its powers as Trustee of the charity.

Details of the Aldermen of the City Corporation are available at www.cityoflondon.gov.uk.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance was completed during 2021/22 to ensure that the charity is effective in fulfilling its objectives. Reference was made to the good practices recommended within the Charity Governance Code throughout this review.

A comprehensive review of governance was completed during 2021/22 to ensure that the charity is effective in fulfilling its objectives. Reference was made to the good practices recommended within the Charity Governance Code throughout this review. As a result of the review a significant new strategic grant making and administration programme was introduced, ensuring that the charity is compliant with regulations and efficient and effective in maximising impact for beneficiaries

OBJECTIVES AND ACTIVITIES

The objects of the charity are, for the public benefit, the relief of need by reason of age, ill-health, disability, financial hardship or other disadvantage of persons who are resident or have been resident in Greater London.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment

performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 21.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Emanuel Hospital's aims and objectives and in planning future activities. The purpose of the charity is as stated above.

Consequently, the Trustee considers that Emanuel Hospital operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation.

The assessment, management and oversight of the charity's grant making is provided by the Central Grants Unit (CGU) within the Town Clerk's department, which is an internal department of The City of London Corporation. Grants are recognised in the Statement of Financial Activities when they have been approved by the Trustee and notified to the beneficiaries.

ACHIEVEMENTS AND PERFORMANCE

The Emanuel Hospital Sub-Committee awarded two significant strategic grants during 2021/22. The first grant of £117,396 was awarded to Friends of the Elderly (Charity Reg. No 226064); the second grant of £325,188 was awarded to Age UK (Charity Reg. No.1128267).

Both grants have been a result of working collaboratively with the grant recipients to support the implementation of the projects being funded. The grant awarded to Age UK has had a big impact on their local branches across London, the staff having been grateful for the charity's forward thinking in the process. The first year of the Friends of the Elderly grant was about building capacity within the team of the charity, which has now been embedded. As the project moves into its second year, Friends of the Elderly will be increasing distribution of the funding awarded to individuals, which will benefit older Londoners in critical need. With the increase in the cost of living the charity expects to see significant demand on this programme.

There were 19 Lady Dacre Pensioners during the year, including former Ada Lewis Winter Distress Fund beneficiaries (2020/21: 20).

PLANS FOR FUTURE PERIODS

The charity is in discussion with Age UK about potential funding plans for 2022/23. The current cost of living crisis and Covid recovery is having a huge impact on vulnerable older people in the capital and options for a further strategic grant to Age UK are being explored.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 12.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £157,208, an overall increase of £35,817 (29.5%) from previous year (2020/21: £121,391). All income received was from investments.

Expenditure

Total expenditure for the year was £488,297, all being for the category charitable activities (2020/21: £43,096). This mainly related to grants awarded in the year to organisations (£442,584; 2020/21 £nil) and the total of £31,065 paid as pensions during the year (2020/21: £35,249). Support costs were £14,647 (2020/21: £7,847), made up of legal, management, finance and administration and independent examination fees. The increase in expenditure was due to the commencement of grant funding activity during the year, with this additional activity incurring management costs. The City Corporation,

as Trustee, commenced reimbursement of costs relating to the administration of the charity in 2021/22.

Investment performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three- and five-year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

Investments performance

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
City of London Charities Pool	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund outperformance	**2.04%**	**1.46%**	+1.85%	+0.90%

Funds held

The charity's total funds held decreased by £196,929 (6.0%) to £3,063,823 at 31 March 2022 (2020/21: £3,260,752), mainly as a result of a strategic decision to award grant funding during the year. Within the total funds held, £1,786,824 (2020/21: £1,705,333) represent permanent endowment funds which are held in perpetuity as a capital fund to generate income for the primary objectives of the charity. Any income arising from this capital is accounted for within unrestricted funds.

The general fund represents funds that are available for distribution in accordance with the purpose of Emanuel Hospital, with £1,276,999 held at the year-end (2020/21: £1,555,419). As noted above, the main reason for the reduction in funds held was the strategic grant awarded in the year.

Details of all funds held, including their purposes, is set out within note 10 to the financial statements.

Reserves policy

The permanent endowment funds are held in perpetuity. It is the Trustee's policy to invest the assets of the charity held within this fund to retain the real value of the endowment, whilst generating sufficient income to fund the activities undertaken both now and in the future.

The Trustee revised its policy in 2021/22 to meet future working capital needs and believe that an amount of £45,000 should be held, which will be subject to annual review.

As at 31 March 2022 the charity held £1,276,999 as free reserves, amounts which are available to support charitable activities in future years.

While the charity currently holds free reserves in excess of its target of £45,000, the ongoing strategic grant programme is being directed to spend down the reserves to reach the target level.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. During the year the charity updated its risk assessment process and developed a revised risk register, which was presented to the Trustees and reviewed at their meetings during the year

TRUSTEE RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless the Trustee is satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee 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.

In so far as the Trustee is aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustee's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustee's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustee.

Alderman & Sheriff Professor Michael Mainelli

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF EMMANUEL HOSPITAL

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Investments	2	157,208	-	**157,208**	121,391
Total income		157,208	-	**157,208**	121,391
Expenditure on:					
Charitable activities	3	488,297	-	**488,297**	43,096
Total expenditure		488,297	-	**488,297**	43,096
Net gains/(losses) on investments	8	54,828	81,491	**136,319**	563,031
Net (losses)/gains on short term deposit		(2,159)	-	**(2,159)**	382
Net (expenditure)/income and net movement in funds		(278,420)	81,491	**(196,929)**	641,708
Reconciliation of funds:					
Total funds brought forward	11	1,555,419	1,705,333	**3,260,752**	2,619,044
Total funds carried forward	11	1,276,999	1,786,824	**3,063,823**	3,260,752

The above results were derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 11 to 18 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	8	**2,989,270**	2,852,951
Total fixed assets		**2,989,270**	2,852,951
Current assets			
Cash at bank and in hand		**168,509**	407,801
Total current assets		**168,509**	407,801
Current Liabilities			
Creditors	9	**(93,956)**	-
Total Current Liabilities		**(93,956)**	-
Total net assets		**3,063,823**	3,260,752
The funds of the charity:			
Endowment funds	11	**1,786,824**	1,705,333
Unrestricted income funds	11	**1,276,999**	1,555,419
Total funds		**3,063,823**	3,260,752

The notes on pages 11 to 18 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of signing these financial statements to enable the charity to continue to fulfil its obligations.

In making this assessment, the Trustee has considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. It has not identified any indication that the charity will not be able to meet liabilities, including planned commitments, as they fall due. The policy of meeting pensions and approving grant commitments from available unrestricted income, provides the flexibility to ensure the long-term viability of the charity; in addition to the funds balances carried forward from previous years, the charity has sufficient funds to maintain the pensions currently paid out and grant commitments agreed. The Trustee is under no obligations to pay out pensions and may choose to defer pensions payments to future years until such time as the available free reserves were deemed adequate to meet these costs. For this reason, the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on cash balances. The previous year included the receipt of funds as part of the closure of two other charities.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The liability can only be derecognised where payment of a grant award is no longer probable.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) Pensions

Pensions paid to beneficiaries are subject to an annual review by the Trustee. The financial statements reflect the pensions payable for the year of account only.

(h) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(i) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid price in line with FRS102. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(j) Funds structure

Income, expenditure and gains/losses are allocated to particular fund according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

Designated funds – these are funds set aside by the Trustee out of unrestricted funds for a specific purpose.

(k) Insurance

The charity, elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/2021 £
Investment income	**155,686**	117,657
Interest	**1,522**	3,734
Total	**157,208**	121,391

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds
	Direct costs	**Support costs**	**Total 2021/22**	2020/21
	£	**£**	**£**	£
Lady Dacre Pensions	31,066	961	**32,027**	35,249
Grants/Donations to Voluntary and Other Organisations	442,584	13,686	**456,270**	-
Total	**473,650**	**14,647**	**488,297**	**43,096**

4. ANALYSIS OF SUPPORT COSTS

	Charitable activities	**Governance costs**	**Total 2021/22**	Total 2020/21
	£	**£**	**£**	£
Legal fees	2,548	-	**2,548**	7,847
Management & administration fees	10,349	-	**10,349**	-
Independent examination fees	-	1,750	**1,750**	-
Sub- total	12,897	1,750	**14,647**	7,847
Reallocation of governance costs	1,750	(1,750)	**-**	-
Total support costs	**14,647**	**-**	**14,647**	**7,847**

Support costs are allocated based on direct costs incurred on charitable activities.

5. ANALYSIS OF GRANTS

Reconciliation of grants payable:	**2021/22**	2020/21
	£	£
Commitments at 1 April	**-**	-
Commitments made in the year	**442,584**	-
Grants paid in the year	**(348,628)**	-
Commitments at 31 March	**93,956**	-

6. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year (2020/21: £nil).

7. TRUSTEE EXPENSES

The Aldermen, acting collectively by the Court of Aldermen for the City of London Corporation as Trustee, did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	2,852,951	2,289,920
Additions	-	-
Gain/(Loss) for the year	136,319	563,031
Market value 31 March	**2,989,270**	2,852,951
Cost 31 March	**2,636,717**	2,636,717
Units held in Charities Pool	322,659	322,659

The type of listed investments held at 31 March was as follows:

	Held in the UK	Held outside the UK	**Total at 31 March 2022**	Held in the UK	Held outside the UK	Total at 31 March 2021
	£	£	**£**	£	£	£
Equities	2,430,276	340,777	**2,771,053**	2,329,953	331,548	2,661,501
Pooled Units	176,367	-	**176,367**	152,617	-	152,617
Cash held by Fund Manager	41,850	-	**41,850**	38,833	-	38,833
Total	**2,648,493**	**340,777**	**2,989,270**	2,521,403	331,548	2,852,951

9. CREDITORS AMOUNTS DUE WITHIN 1 YEAR

	2022	2021
	£	£
Grant Liabilities	**93,956**	0

The grant liability at 31 March 2022 is the balance due to Friends of the Elderly.

10. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted General funds	Endowment funds	Total at 31 March 2022	Total at 31 March 2021
	£	£	£	£
Fixed assets - investments	1,202,446	1,786,824	2,989,270	2,852,951
Current assets	168,509	-	168,509	407,801
Current Liabilities	(93,956)	-	(93,956)	407,801
Total	1,276,999	1,786,824	3,063,823	3,260,752

At 31 March 2021	Unrestricted General funds	Endowment funds	Total at 31 March 2021	Total at 31 March 2020
	£	£	£	£
Fixed assets - investments	1,147,618	1,705,333	2,852,951	2,289,920
Current assets	407,801	-	407,801	329,124
Total	1,555,419	1,705,333	3,260,752	2,619,044

11. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 01 April 2021	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2022
	£	£	£	£	£	£
Permanent endowment funds	1,705,333	-	-	81,491	-	**1,786,824**
Unrestricted income funds:						
General funds	1,555,419	157,208	488,297	52,669	-	**1,276,999**
Total funds	**3,260,752**	**157,208**	**488,297**	**134,160**	**-**	**3,063,823**
Permanent endowment funds	1,368,785	-	-	336,548	-	1,705,333
Unrestricted income funds:						
General funds	433,517	121,391	43,096	226,865	816,742	1,555,419
Designated funds	816,742	-	-	-	(816,742)	-
Total unrestricted income funds	1,250,259	121,391	43,096	226,865	-	1,555,419
Total funds	2,619,044	121,391	43,096	563,413	-	3,260,752

Purpose of the permanent endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity. Any income generated from this fund is accounted

for within unrestricted income funds. The fund comprises the investment of the original endowment, further receipts of endowed assets and the subsequent revaluation of these investments.

Purpose of the unrestricted income funds

Designated funds

The designated fund represented surplus income set aside by the Trustee that had been invested to enable the current level of support to pensioners to be maintained. This fund was released to the general fund in 2020/21.

General funds

This fund is available for distribution with the purposes of the charity and represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

12. RELATED PARTY TRANSACTIONS

The City Corporation acting by the Court of Aldermen is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
Charities Pool	The City of London Corporation is the Trustee for the charity	**153,527**	118,039	Distribution from the Charities Pool

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Emanuel Hospital

Registered charity number: 206952

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The City of London Corporation acting by the Court of Aldermen

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation and Chief Financial Officer (appointed 1 May 2022)

Peter Kane – The Chamberlain of the City of London Corporation and Chief Financial Officer (retired 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-DeputyChamberlain@cityoflondon.gov.uk

Sir William Coxen Trust Fund

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 206936

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 4

FINANCIAL REVIEW 5

TRUSTEES' RESPONSIBILITIES 7

INDEPENDENT EXAMINER'S REPORT 8

STATEMENT OF FINANCIAL ACTIVITIES 9

BALANCE SHEET 10

NOTES TO THE FINANCIAL STATEMENTS 11

REFERENCE AND ADMINISTRATION DETAILS 17

ORIGINS OF THE CHARITY

The Sir William Coxen Trust fund was established by the Will of Sir William Coxen, a past Lord Mayor of the City of London (1939-40) upon his death on the 7th April 1946. Sir William was also the Treasurer of the Royal National Orthopaedic Hospital, and the children's and young people's ward at the Stanmore site continues to be named in his honour.

The income of the charity continues to be applied for the benefit of all or any of the Orthopaedic Hospitals of England or other hospitals or charitable institutions carrying out similar work (with preference being given to the Royal National Orthopaedic Hospital Charity of Great Portland Street, London).

TRUSTEES' ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The charity is governed by clause 17 of Sir William's Will, as amended by resolutions of the Trustees passed on 1 February 2017 under sections 280 and 282 of the Charities Act 2011, the section 282 resolution taking effect with the concurrence of the Charity Commission on 15 June 2017.

GOVERNANCE ARRANGEMENTS

The Will of Sir William Coxen provided for the Court of Aldermen to take possession of the trust funds and income thereof and to appoint a management committee of six Aldermen to administer the charity, four of whom had served as a Lord Mayor.

On 1 February 2017 the Trustees resolved, pursuant to section 280 of the Charities Act 2011, to amend and supplement the administrative provisions governing the charity.

On the 1 February 2017 the Court of Aldermen further resolved under the amended governing provisions to exercise their powers to collectively retire as trustees with the retirement to take effect on 1 April 2017 and to exercise their power to appoint five Aldermen as individual trustees (with their consent) whose appointments were to take effect simultaneously upon the collective retirement of the Court on 1 April 2017. These five individual Trustees were appointed for a term of three years under the amended governing provisions. Four have since retired with new Trustees having then been appointed from time-to-time by the Court of Aldermen acting by its General Purposes Committee under the provisions of the amended governing document The fifth Trustee was reappointed by the General Purposes Committee of the Court of Aldermen of the City of London Corporation on the 4 February 2020, effective from the 1 April 2020. The Trustees may also appoint up to two further Trustees who need not be Aldermen of the City of London. After their first term, Trustees may be reappointed for a further consecutive term of three years.

The charity is administered under Clause 17 of the Will of Sir William Coxen as amended by resolutions of the Trustees passed on 1 February 2017 with the concurrence of the Charity Commission on 15 June 2017, as relevant. The Aldermen, being elected Members of the City of London Corporation, are required to act in accordance with the conflicts of interest and other governance rules applying to the City of London Corporation's elected Members. The Trustees, at their meeting on the 27 April 2017, resolved and confirmed the arrangements for the City of London Corporation's, and its officers', on-going support for the charity under delegated authority, noting that those arrangements would be kept under review. It is on that basis that administrative, financial, accountancy, audit and legal support continues to be provided by the City Corporation to the charity. The Trustees also resolved, at their meeting on 27 April 2017, that oversight of the charity's investments and performance should be delegated to the City Corporation with their consent. The City Corporation's Investment Committee on 17 May 2017, and its responsible sub-committee the Financial Investment Board on 18 May 2017, agreed to monitor and review the charity's

investment performance and the fund manager's services, and to provide relevant reports and advice to the charity's Trustees every year.

The Trustees believe that good governance is fundamental to the success of the charity. A comprehensive review of governance took place during the year to ensure that the charity is effective in fulfilling its objectives. Reference was made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective charity that maximises impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The object of the charity is to apply income for the benefit of all or any of the Orthopedic Hospitals of England or other hospitals or charitable institutions carrying out similar work (preference should be to the Royal National Orthopedic Hospital Charity of Great Portland Street, London). Assistance is granted to eligible organisations (usually registered charities) in the form of donations and grants.

In making his bequest, Sir William had in mind that young children up to the age of 14 should be periodically examined to see that they are growing into healthy men and women and that correction in any faults (orthopaedic) that may arise in them should be made. As such, preference continues to be given to applications which are:

- For an orthopaedic condition;
- For the prevention of an orthopaedic condition; and
- For children up to the age of 14.

Investment Policy

The investment policy is to seek to achieve a balance between the need to provide primarily for future increases in expenditure and so far as is practical the need to protect the capital base with a medium to long-term horizon.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Sir William Coxen Trust Fund's aims and objectives and in planning future activities. The purpose of the charity is as stated above.

Consequently, the Trustee considers that the Sir William Coxen Trust Fund operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Applications are assessed via a robust process, taking appropriate advice, to ensure that proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation.

ACHIEVEMENTS AND PERFORMANCE

The key target for 2021/22 was to apply the income of the charity to benefit all or any of the Orthopaedic hospitals of England, other hospitals or charitable institutions carrying out similar work in the form of one-off donations. This was achieved as 3 charities benefitted from donations totalling £155,287 (2020/21: 3 charities and net grant expenditure of £60,000).

PLANS FOR FUTURE PERIODS

The review of the charity's governance, part of a wider review of the charities of which the City Corporation is trustee or over which it has powers of appointment, is ongoing. The trustees approved recommendations arising from this review at their meeting in January 2022 and changes are now being implementedto improve policy and administration arrangements in the best interests of the charity.

The trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 11.

FINANCIAL REVIEW

Overview of Financial Performance

Income

The funds of the charity are managed by Artemis Investment Management LLP as part of two of their unit trusts. In 2021/22 the charity's total income for the year was £98,750, an overall increase of £9,178 against the previous year (2020/21: £89,572).

Income from investments comprised £97,409 (2020/21: £87,029), with a further £1,341 received from bank interest (2020/21: £2,543).

Expenditure

Total expenditure for the year was £175,540 (2020/21: £72,144). The increase in spending is largely due to an increase in the value of grants awarded in the year, with charitable activities expenditure in the year totalling £162,627 (2020/21: £60,000). Expenditure on raising funds for the year was £12,913 (2020/21: £12,144).

Investment performance

The funds of the charity are managed by Artemis Investment Management LLP within two of their unit trusts. Market values and performance against benchmarks for the year was as follows:

	Market Value		Returns		Benchmark	
	2021/22	2020/21	**2021/22**	2020/21	**2021/22**	2020/21
	£	£	**%**	%	**%**	%
Artemis Income Fund	2,294,199	2,160,143	10.5	30.9	13.0	26.7
Artemis High Income Fund	293,348	309,151	-0.5	22.9	-2.3	12.6
	2,587,547	2,469,294				

Benchmarks utilised are:

- Artemis Income Fund – FTSE All-Share index
- Artemis High Income Fund – Investment Association Sterling Strategic Bond sector

The significant recovery in value following the downturn in financial markets due to the pandemic of the prior year continued in 2021/22. The Income Fund produced a positive absolute return of +10.51% whilst the High Income delivered an absolute return of -0.45%. Both investments outperformed their respective benchmarks.

Funds held

The charity's total funds held increased by £58,579 or 2% to £2,789,833 as at 31 March 2022 (2020/21: £2,731,253). The endowment funds held, £2,552,116 (2020/21: £2,427,757) represent permanent endowment funds which are held in perpetuity as a

capital fund to generate income for the primary objectives of the charity. Any income arising from this capital is accounted for within unrestricted funds.

Unrestricted income funds amounted to £237,717 (2020/21: £303,496). These funds represent those that are available for distribution in accordance with the purpose of the Sir William Coxen Trust Fund.

Details of all funds held, including their purposes, is set out within Note 11 to the financial statements.

Reserves

The Reserves Policy is to maintain the endowment funds of the charity and use the investment income in accordance with the objectives of the charity. Following a section 282 Trustees' resolution in 2017 and with the concurrence of the Charity Commission, £150,000 of the original endowment was released to be held in the unrestricted income fund, having regard to substantive funding commitments made in previous years so as to ensure that the charity had sufficient income reserves available should need for those funds arise. The charity continues to hold these funds within its free reserves.

The free reserves of the charity are held to cover working capital needs. The Trustee believes that a minimum amount of £7,000 should be held at present, which will be subject to annual review. As at 31 March 2022 the charity held £237,717 as free reserves, amounts which are available to support charitable activities in future years.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustees. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

Risk	Actions to manage risks
Decline in income	• Implementing strict controls. • The charity's funds are invested by a professional fund manager. • The Financial Investment Board regularly monitors the performance of this fund manager.
Where the Trustees has a conflict of interest	• Those concerned having a specific understanding of trust law. • Adopting the protocol for disclosing any potential conflict.
Losing directly employed staff and/or the support staff	• Documenting systems, plans and projects • Having any necessary training programmes

TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless the Trustees are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustees to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Financial statements are published on the Trustees' website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Trustees' website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Adopted and signed for on behalf of the Trustees.

Alderman Bronek Masojada, Chairman of Trustees

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SIR WILLIAM COXEN TRUST FUND

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds 2021/22 £	Endowment funds 2021/22 £	**Total funds 2021/22 £**	Total 2020/21 £
Income from:					
Investments	2	98,750	-	**98,750**	89,572
Total income		**98,750**	**-**	**98,750**	89,572
Expenditure on:					
Raising funds	3	-	12,913	**12,913**	12,144
Charitable activities	4	162,627	-	**162,627**	60,000
Total expenditure		**162,627**	**12,913**	**175,540**	72,144
Net gains on investments	7	-	137,272	**137,272**	529,837
Net (losses)/gains on short term deposit		(1,902)	-	**(1,902)**	-
Net income and net movement in funds		**(65,779)**	**124,359**	**58,580**	547,265
Reconciliation of funds:					
Total funds brought forward	10	303,496	2,427,757	**2,731,253**	2,183,988
Total funds carried forward		**237,717**	**2,552,116**	**2,789,833**	2,731,253

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 11 to 16 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets			
Investments	7	2,587,548	2,469,294
Total fixed assets		**2,587,548**	2,469,294
Current assets			
Debtors	8	4,792	9,024
Cash at bank and in hand		240,257	252,935
Total current assets		**245,049**	261,959
Current Liabilities			
Grants payable within one year	9	(21,090)	-
Net Current Assets		**223,959**	261,959
Total Assets less current liabilities		**2,811,507**	2,731,253
Grants falling due after more than one year	9	(21,674)	-
Total net assets		**2,789,833**	2,731,253
The funds of the charity:			
Endowment funds	10	2,552,116	2,427,757
Unrestricted funds	10	237,717	303,496
Total funds		**2,789,833**	2,731,253

The notes on pages 11 to 16 form part of these financial statements

Approved and signed on behalf of the Trustees.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The charity has discretion over the level of grants awarded and therefore spending is based on what is generated from its investments, so maintaining the capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these accounts to enable the charity to continue to fulfil its obligations.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure (when notification is made in writing to the grantee), it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure includes grants payable and investment management fees.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the Trustees have taken the decision for the City Corporation to be reimbursed for the charity's administration fees incurred.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in two unit trusts managed by Artemis Investment Management LLP.

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to a particular fund according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original bequest. Income generated from the investments which represent this fund can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustees and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity, elected Members appointed as trustees and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**97,409**	87,029
Interest	**1,341**	2,543
Total	**98,750**	89,572

3. EXPENDITURE ON RAISING FUNDS

	Endowment Funds 2021/22 £	Total funds 2020/21 £
Investment management fees	**12,913**	12,144

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs £	**Support costs £**	**Total 2021/22 £**	Total 2020/21 £
University of East Anglia (2 grants)	133,287	6,300	**139,587**	50,000
Kidscan	2,000	95	**2,095**	-
Bone Cancer Trust	20,000	945	**20,945**	-
Action Medical Research for Children	-	-	**-**	5,000
Spinal Injuries Association	-	-	**-**	5,000
Grants to organisations	**155,287**	**7,340**	**162,627**	60,000

5. ANALYSIS OF SUPPORT COSTS

	Charitable activities	**Governance costs**	**Total 2021/22**	Total 2020/21
	£	**£**	**£**	£
Legal Fees	473	-	**473**	-
Independent Examiner Fees	-	1,750	**1,750**	-
Management Fees	5,117	-	**5,117**	-
Sub-total	5,590	1,750	**7,340**	-
Reallocation of governance costs	1,750	(1,750)	**-**	-
Total support costs	**7,340**	**-**	**7,340**	-

Support costs are allocated based on direct costs incurred on charitable activities.

6. ANALYSIS OF GRANTS

Reconciliation of grants payable:	**2021/22**	2020/21
	£	£
Commitments at 1 April	**-**	-
Commitments made in the year	**155,287**	60,000
Grants paid in the year	**(112,523)**	(60,000)
Commitments at 31 March	**42,764**	-

7. INDEPENDENT EXAMINER'S REMUNERATION

From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the independent examination of each of its charities, which was previously funded by City's Cash. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year (2020/21: £nil).

8. TRUSTEE EXPENSES

The Aldermen serving as Trustees did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

9. INVESTMENTS

The value of investments held by the charity are as follows:

	2021/22	2020/21
	£	£
Market value 1 April	2,469,294	1,972,943
Disposals	(19,018)	(33,486)
Gain for the year	137,272	529,837
Market value 31 March	**2,587,548**	2,469,294
Cost 31 March	**1,539,878**	1,539,878

10. DEBTORS

	2021/22	2020/21
	£	£
Other debtors	4,792	9,024
Total	**4,792**	9,024

11. CREDITORS

Amounts falling due within one year

	2021/22	2020/21
	£	£
Grant liabilities	21,090	-
Totals	**21,090**	**-**

Amounts falling due after one year

	2021/22	2020/21
	£	£
Grant liabilities	21,674	-
Totals	**21,674**	**-**

12. MOVEMENT IN FUNDS

At 31 March 2022	**Total as at 1 April 2021**	**Income**	**Expenditure**	**Gains & losses**	**Total as at 31 March 2022**
	£	**£**	**£**	**£**	**£**
Permanent endowment funds	2,427,757	-	(12,913)	137,272	**2,552,116**
Unrestricted income funds	303,496	98,750	(162,627)	(1,902)	**237,717**
Total funds	**2,731,253**	**98,750**	**(175,540)**	**135,370**	**2,789,833**

At 31 March 2021	Total 1 April 2020 £	Income £	Expenditure £	Gains & losses £	Total 31 March 2021 £
Permanent endowment funds	1,897,920	-	-	529,837	2,427,757
Unrestricted income funds	286,068	89,572	(72,144)	-	303,496
Total funds	2,183,988	89,572	(72,144)	529,837	2,731,253

Purpose of the permanent endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity and represents the original endowment, including historic transfers, from the Sir William Coxen Will Trust.

Unrestricted income funds

This fund comprises the accumulation of revenue surpluses to be utilised in subsequent years.

13. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	**Unrestricted Funds £**	**Endowment Funds £**	**Total at 31 March 2022 £**
Fixed assets - investments	35,432	2,552,116	**2,587,548**
Net current assets	223,959	-	**223,959**
Long term liabilities	(21,674)	-	**(21,674)**
Total	**237,717**	**2,552,116**	**2,789,833**

At 31 March 2021

	Unrestricted funds £	Endowment Funds £	Total at 31 March 2021 £
Fixed assets - investments	41,537	2,427,757	2,469,294
Net Current Assets	261,959	-	261,959
Total	303,496	2,427,757	2,731,253

14. RELATED PARTY TRANSACTIONS

A number of Aldermen of the City Corporation are appointed as individual trustees of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members of the City Corporation are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Sir William Coxen Trust Fund, Registered charity number: 206936

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEES:

Alderman Bronek Masojada (Chairman from 15 July 2020)

Alderman Prem Goyal OBE JP (from 15 May 2018 to 10 May 2021)

Alderman Timothy Hailes (from 25 April 2019 to 10 May 2021)

Alderman Sir Andrew Charles Parmley (from 21 May 2020)

Alderman Sir Peter Estlin (from 10 May 2021)

Alderman John Garbutt (from 10 May 2021)

Alderman Nicholas Lyons (from 10 May 2021)

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain of the City of London Corporation (Appointed 1 May 2021)

Dr Peter Kane - The Chamberlain of the City of London Corporation (retd 30 April 2021)

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

AUDITORS:

Crowe LLP, 55 Ludgate Hill, London EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents: PA-DeputyChamberlain@cityoflondon.gov.uk

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Samuel Wilson’s Loan Charity

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 206964

Financial Conduct Authority Number 718857

CONTENTS

Origins of the charity....1

Structure and governance....2

Achievements and performance....4

Financial review....5

Trustees' responsibilities....7

Independent examiners report....8

Statement of financial activities....9

Balance sheet....10

Notes to the financial statements....11

Reference and administration details....18

ORIGINS OF THE CHARITY

Samuel Wilson was a Quaker who lived in Hatton Garden in the 18th Century. He was a widower when he died and had no surviving children. In his Will, dated 27th October 1766, he left the sum of £20,000 to form the basis of the Trust which was established in 1771.

TRUSTEES' ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this charity was originally set out in the will of Samuel Wilson dated 27 October 1766, with administration being more recently governed by amendments to a scheme of the Charity Commission. In March 2011, the Charity Commission approved a revised scheme which widened the objects and complied with modern charity law by adopting a new charitable purpose: "The relief of young people in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit", through the provision of individual loan at a low rate of interest.

GOVERNANCE ARRANGEMENTS

Individuals act as Trustees of the charity by virtue of positions that they hold with the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic. These individuals act as Trustees during the tenure of these positions. In making appointments, the Court of Aldermen will take into consideration any particular expertise and knowledge of the elected Members.

The Trustees believe that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the relief of young people in need by reason of ill-health, disability, financial hardship or other disadvantage for the public benefit by: a) the provision of loans to individuals, partnerships and companies preparing for or engaged in any trade, manufacture, business or profession in the area comprising greater London and the counties of Buckinghamshire, Essex, Hertfordshire, Kent, Surrey, East Sussex and West Sussex; b) investing in shares of companies preparing for or engaged in any trade, manufacture, business or profession in the area comprising greater London and the counties of Buckinghamshire, Essex, Hertfordshire, Kent, Surrey, East Sussex and West Sussex.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which

include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 18.

Public benefit statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Samuel Wilson's Loan Charity aims and objectives and in planning future activities. The purposes of the charity are as stated above. Applicants for loans are identified via our website, local advertising and referrals from other charitable bodies.

Consequently, the Trustees consider that the charity operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 18.

ACHIEVEMENTS AND PERFORMANCE

Income from investments and loan advances was £135,313 (2020/2021: £104,546). During the year, 4 new loans totalling £100,000 were awarded (2019/20: no loans were awarded during the year). At 31 March 2022, the Trust had outstanding loans of £199,011 made to young persons, of which a doubtful debt provision of £50,747 was recognised (2020/21: £144,406 of which a doubtful debt provision of £62,138 was recognised). There were no debts written off during the year (2020/21: debts totalling £136.05 were written off).

Granting of loans at a low interest rate to young persons has demonstrated the Trust's charitable purpose for the public benefit.

Surplus income is carried forward to be utilised or invested in future years.

PLANS FOR FUTURE PERIODS

To continue to benefit young persons who have recently or are about to set up in business by granting loans at a low rate of interest. The Trustees continue to actively explore ways of maximising the number of loans granted and they are looking to enter into arrangements with other organisations to facilitate this and to promote the Trust more widely amongst the entrepreneurial community.

The charity merged with the Thomas Arneways Loan Charity in May 2022.

Following the year end, the Trustees celebrated the 250th anniversary of the Samuel Wilson's Loan Trust in April 2022 and are taking the opportunity to further promote the loan potential of the Trust.

There will be a review into ways of improving the performance of the Charity including possible widening of objectives and changes to administrative arrangements.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 11.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £135,313, an overall increase of £30,767 (2020/21: £104,546).

Income from charitable activities comprised £4,158 from interest on loan advances (2020/21: £2,989).

Investment income totalled £131,155 (2020/21: £101,557), including managed investments income of £129,791 (2020/21: £98,088) and interest on bank balances held of £1,364 (2020/21: £3,469).

Expenditure

Total expenditure for the year was £4,083 all being for charitable activities (2020/21: £31,610). Costs relate to the operation activities of the charity at £15,474 (2020/21: £14,529) alongside a decrease to the provision for bad debts of £11,391 (2020/21: increase of £16,946).

Investment performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.1% which was below the FTSE All Share Index benchmark return of 13.0%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.7% in 2020/21 versus 26.7% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

Investments performance

	2021/22		2020/21	
	3 year	5 year	3 year	5 year
City of London Charities Pool	**7.30%**	**6.20%**	**5.04%**	**7.19%**
FTSE All Share	**5.30%**	**4.70%**	**3.19%**	**6.29%**
Fund outperformance	**+2.00%**	**+1.50%**	**+1.85%**	**+0.90%**

Funds held

The charity's total funds held increased by £243,886 to £3,011,507 as at 31 March 2022 (2020/21: £2,767,621). All funds held are unrestricted income funds, with any undistributed income held for use in future years in accordance with the objectives of the charity.

Details of funds held, including their purpose, is set out within note 1(k) to the financial statements.

Reserves policy

The Trust does not require any reserves to fulfil its objectives as it only needs sufficient funds to advance loans in accordance with the objectives.

The Trustees review the level of cash balances on a regular basis and invest surplus cash into charities pool units in order to ensure that returns on retained balances are maximised.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the Trustees ensure that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustees. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless the Trustees are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustees to ensure that the financial statements comply with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Adopted and signed for on behalf of the Trustees.

Alderman Vincent Keaveny, (Chairman)

Trustee

XX January 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SAMUEL WILSON'S LOAN CHARITY

To be provided by Crowe

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	**Unrestricted Funds** **2021/22** **£**	Unrestricted Funds 2020/21 £
Income from:			
Investments	2	**131,155**	101,557
Charitable activities	3	**4,158**	2,989
Total income		**135,313**	104,546
Expenditure on:			
Charitable activities	4	**4,083**	31,610
Total Expenditure		**4,083**	31,610
Net gain / (losses) on investments	7	**114,591**	469,125
Unrealised (loss) on short term deposits		**(1,935)**	(208)
Net income/(expenditure)		**243,886**	541,853
Reconciliation of funds:			
Total funds brought forward	12	**2,767,621**	2,225,768
Total funds carried forward	12	**3,011,507**	2,767,621

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 11 to 17 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Investments	7	**2,493,027**	2,378,436
Loans due - greater than one year	8	**89,032**	42,043
Total fixed assets		**2,582,059**	2,420,479
Current assets			
Debtors	9	**74,502**	51,488
Cash at bank and in hand		**358,750**	295,654
Total current assets		**433,252**	347,142
Creditors: amounts falling due within one year	10	**(3,804)**	-
Net current assets		**429,448**	347,142
Total net assets		**3,011,507**	2,767,621
The funds of the charity:			
Unrestricted income funds	12	**3,011,507**	2,767,621
Total funds		**3,011,507**	2,767,621

The notes on pages 11 to 17 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern in the next 12 months from date of signing these financial statements. As a charity that advances loans, the Trustees manage the charity's cash flows to ensure that the totality of loans do not exceed available resources. The Charity has discretion to award loans based on available funds and with the expectation that funds will be repaid, with available balances carefully managed. Charitable expenditure relates to administrative costs and any provision required against loans, with planning in place to ensure that the charity has sufficient funds available to meet these costs alongside distribution of loans. The charity has significant funds invested compared to the annual costs of charity administration.

The latest forecast anticipates that adequate funds will be available in the next five years to enable the charity to continue to fulfil its obligations.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of investment income and interest on loans.

(f) Expenditure

Expenditure is accounted for on an accruals basis and consists entirely of charitable activities. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

From 1 April 2021, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the independent examination and administration costs incurred on behalf of the Charity. The charity incurs the cost of staff time of 4 individuals at a cost of £5,290 (2020/21: three people at a cost of £4,100).

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Loans

Loans are granted to individuals who meet the criteria agreed by the Trustees in accordance with the objectives of the Trust. Interest on loans existing before February 2012 is charged at 1% in the first year and 2% per annum thereafter. For loans advanced between Feb 2012 and Sept 2016, interest is charged at the 5-year gilt flat yield rate plus 1% in the first year and 2% thereafter. For subsequent loan advances, interest is a charged at 2% per annum.

(j) Bad Debts

An allowance is created to recognise the potential loss arising from irrecoverable debts. Where a risk of debts not being settled is identified, an appropriate proportion of the debtor balance is written down and a charge made to the SOFA for the income that might not be collected.

(k) Funds structure

Income, expenditure and gains/losses are allocated to the unrestricted income funds

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustees and include income generated by assets representing unrestricted funds.

(l) Insurance

The charity, elected Members appointed as trustees and staff supporting the charity's administration are covered by the City Corporations insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME FROM INVESTMENTS

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Investment income	**129,791**	98,088
Interest on cash balances	**1,364**	3,469
Total	**131,155**	101,557

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Interest on loan advance	**4,158**	2,989

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	**Total 2021/22 £**	Direct costs £	Support costs £	Total 2020/21 £
Administration costs	15,474		**15,474**	14,664		14,664
(Release of)/contribution to bad debt provision	(11,391)	-	**(11,391)**	16,946	-	16,946
Total	4,083	-	**4,083**	31,610	-	31,610

5. INDEPENDENT EXAMINERS REMUNERATION

Crowe LLP are the auditors of the City of London's City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. The City of London Corporation charges the audit / independent examiners fee to its City's Cash Fund. From 2021/22, the City Corporation, as Trustee, seeks reimbursement for the fee incurred for the independent examination of each charity which it administers, which was previously funded by City's Cash. In 2021/22 an independent examination fee of £1,750 was recharged (2020/21: £nil). No other services were provided to the charity by its independent examiners during the year (2020/21: £nil).

6. TRUSTEE EXPENSES

The Members of the City of London Corporation acting in their roles as Trustees did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

7. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	2,378,436	1,659,314
Additions	-	249,997
Disposals	-	-
Gain / (Loss) for the year	114,591	469,125
Market value 31 March	**2,493,027**	2,378,436
Cost 31 March	1,135,926	1,135,926
Units held in Charities Pool	**268,993**	268,993

The type of listed investments held as at 31 March was as follows:

	Total at 31 March 2022	Total at 31 March 2021
	£	£
Equities	**2,310,208**	2,218,828
Pooled Units	**146,366**	127,233
Cash held by Fund Manager	**36,453**	32,375
Total	**2,493,027**	2,378,436

8. LOANS DUE – MORE THAN ONE YEAR

	2022	2021
	£	£
Loans due after more than one year	**89,032**	43,546
Less: provision for bad and doubtful debts		(1,503)
Net loans due - within one year	**89,032**	42,043

Balances due within one year are shown with debtors (Note 9), with an analysis of the amounts due within one year and after one year disclosed.

9. DEBTORS – DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accrued income	**14,070**	11,263
Other debtors - payment in Advance	**1,200**	0
Other debtors - loans due	**59,232**	40,225
Total	**74,502**	51,488

Other debtors - loans due consists of loans made to young people as follows:

	2022	2021
	£	£
Amounts due within one year	**109,979**	100,860
Less: provision for bad and doubtful debts	**(50,747)**	(60,635)
Net loans due - within one year	**59,232**	40,225
Net loans receivable	**59,232**	40,225

A provision for bad & doubtful debts was made in 2021/22 relating to four individuals (2020/21: six individuals.)

10. CREDITORS – DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	**3,804**	-

11. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds	
	31 March 2022	31 March 2021
	£	£
Fixed assets - investments	**2,493,027**	2,378,436
Fixed assets - loans due > 1 year	**89,032**	42,043
Current assets	**429,448**	347,142
Total	**3,011,507**	2,767,621

At 31 March 2021

	Unrestricted funds	
	31 March 2021	31 March 2020
	£	£
Fixed assets - investments	2,378,436	1,659,314
Fixed assets - loans due > 1 year	42,043	71,852
Current assets	347,142	494,602
Total	2,767,621	2,225,768

12. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	**Total as at 31 March 2022 £**
Unrestricted funds:					
General	2,767,621	135,313	(4,083)	112,656	3,011,507

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Total as at 31 March 2021 £
Unrestricted funds:					
General	2,225,768	104,546	(31,610)	468,917	2,767,621

Purpose of unrestricted funds

The general fund comprises the original donation to the charity and the accumulation of income surpluses as a result of unspent investment income. Any undistributed income is held for use in future years in accordance with the objectives of the charity.

13. RELATED PARTY TRANSACTIONS

Individuals act as Trustees of the charity by virtue of positions that they hold with the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic. These individuals act as Trustees during the tenure of these positions, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
Charities Pool	The Trustee of the Charity	**129,791**	98,088	Distribution from the Charities Pool

14. SUBSEQUENT EVENTS

On 24 May 2022 the Thomas Arneways Loan Charity merged with the Samuel Wilson's Loan Charity.

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Samuel Wilson's Loan Charity

Registered charity number: 206964

FCA number: 718857

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEES:

Five Aldermen and the Chamberlain of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

INDEPENDENT EXAMINERS:

Crowe U.K LLP, 55 Ludgate Hill, London, EC4M 7JW

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

King George’s Field–City of London

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 1085967

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

FINANCIAL REVIEW 5

STATEMENT OF FINANCIAL ACTIVITIES 7

BALANCE SHEET 8

NOTES TO THE FINANCIAL STATEMENTS 9

ORIGINS OF THE CHARITY

The King George's Field was established in 1936 as a memorial to King George V, the intention being to provide much needed open space for sports, games and recreation. The City of London Corporation was a Trustee of a King George's Field which was originally situated in Vine Street, Minories. In 1973 this site was acquired by compulsory purchase order by the Greater London Council and in return that council transferred to the City Corporation a plot of land in Portsoken Street which was laid out as a children's playground. The playground was closed in 1981, and the space then used as a garden for general public use.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document is the Trust deed dated 19 December 1939. The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of King George's Field–City of London. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Finance Committee** - responsible for administering the Trust on behalf of the Trustee.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Open Spaces and City Gardens Committee –** the committee is the overarching policy and strategic body in relation to the activities of the City Corporation's Open Spaces Department. It is also responsible for the day to day management of the gardens, churchyards and green spaces in the City under the control of the Common Council.

Individuals collectively act as Trustee by virtue of positions that they hold in the City of London Corporation in accordance with the governing document. They act as a Trustee during their tenure of these positions.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

Governance Arrangements (continued)

The charity is consolidated within City Fund as the City of London Corporation exercises operational control over their activities. City Fund is a fund of the City Corporation responsible for delivering the functions of a local authority and a police authority for the Square Mile.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

As part of the City of London Corporation's Target Operating Model (TOM) restructure, the Open Spaces Department has merged with Planning & Transportation and Port Health & Environmental Services to form a new Environment Department. The new structure was agreed by a total of nine Committees during December 2021 and January 2022. As a result, King George's Field became part of the Environment Department from 1 April 2022.

OBJECTIVES AND ACTIVITIES

The objective for King George's Field–City of London is to preserve in perpetuity a recreational and playing field as a memorial to King George V, under the provisions of the King George's Fields Foundation.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing King George's Field-City of London's aims and objectives and in planning future activities. The purpose of the charity is to preserve in perpetuity a recreational and playing field as a memorial to King George V, under the provisions of the King George's Fields Foundation.

Consequently, the Trustee considers that King George's Field-City of London operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 16.

ACHIEVEMENTS AND PERFORMANCE

King George's Field was maintained during the year at a cost of £19,277 (2020/21 £19,722); this was met by the City of London's City Fund.

PLANS FOR FUTURE PERIODS

The aim for King George's Field is to preserve in perpetuity a recreational and playing field as a memorial to King George V under the provisions of the King George's Fields Foundation.

The Trustee will continue with its plans in line with the charity's objectives.

There are no improvements scheduled for 2022/23 other than general grounds maintenance.

FINANCIAL REVIEW

Income

In 2021/22 the charity total income for the year was £19,277, an overall decrease of £445 against the previous year (£19,722).

The only contributor to income was an amount of £19,277 (2020/21: £19,722) received from the City of London Corporation's City Fund as a contribution towards the running costs of the charity. The charity is supported wholly by the City of London Corporation and expenditure in the year was offset by this income.

Expenditure

Total expenditure for the year was £19,277, all being for the category charitable activities (2020/21: £19,722) Activities consist mainly of grounds maintenance costs £16,881 (2020/21: £16,403), premises maintenance costs of £2,296 (2020/21: £3,319) and administrative support of £100 (2020/21: £nil), see note 4.

Funds held

There are no funds held for this charity as at 31 March 2022 (2020/21: £nil).

Reserves policy

The charity is wholly supported by the City of London Corporation which is committed to maintain and preserve King George's Field-City of London out of its City Fund. These Funds are used to meet the deficit on running expenses on a year by year basis. Consequently, this charity has no free reserves and a reserves policy is considered by the Trustee to be inappropriate.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

Risk	Actions to manage risks
Health & Safety	Good Health & Safety culture amongst staff; contractor protocol in place; regular review of site health and safety by peer review; comprehensive training programme and hierarchy of responsibilities. It is accepted that when providing a hands-on service and dealing with the public, a certain level of risk is inevitable and therefore cannot be removed completely.
Extreme weather and climate change risk	City Climate Adaptation Strategy now adopted. Emergency Plan in place; monitoring of warning systems; Extreme Weather Policy adopted for the Charity.

Risk	Actions to manage risks
	Current level of risk cannot be removed completely.
Poor repair and maintenance of buildings (inadequate planned or reactive maintenance)	Most pressing repairs/assets at risk have been escalated through the Cyclical Works Programme (CWP) or identified and submitted as target projects under the City Corporation's projects procedure. Seeking to further lower current risk level
Impact of development	Monitoring of local planning applications. Respond to consultation on host and neighbouring Borough local plans.
Pests and diseases	Comprehensive tree management system in place, along with training of staff in early identification and treatment. Some residual risk accepted (natural cycles).
Poor Public Behaviour	Including crime, irresponsible dog owners, rough sleepers, user conflict, trespassing and alcohol. Continue to develop strong relationship with CoL Police, community outreach teams and supported by use of outsourced security team at key times.
Budget Reductions Implications	Budgets monitored and reprofiled monthly; non-essential works cancelled and focus on increasing income to offset budget reduction. Review of staffing structures required in order to align with Target Operating Model.
Major Incident	Emergency Plan reviewed and updated annually, forming regular item on Divisional H&S meeting agenda. Superintendent attends Corporate Resilience Forum and disseminates learning. All staff have received counter terrorism awareness training.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	**Unrestricted Funds** **2021/22 £**	Unrestricted Funds 2020/21 £
Income from:			
Grant from City of London Corporation	2	**19,277**	19,722
Total income		**19,277**	19,722
Expenditure on:			
Charitable activities	3,4	**19,277**	19,722
Total expenditure		**19,277**	19,722
Net income/(expenditure)		**-**	-
Reconciliation of funds:			
Total funds brought forward	7	**-**	-
Total funds carried forward	7	**-**	-

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 11 to 15 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Current assets		**-**	-
Current liabilities		**-**	-
Total net assets		**-**	-
The funds of the charity:			
Unrestricted income funds	7	**-**	-
Total funds		**-**	-

The notes on page 11 to 15 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The governing documents place an obligation on the City of London Corporation to preserve the open spaces for the benefit of the public. Funding is provided from the City of London Corporation's City Fund. The Trustee considers the level of grant funding received and plans activities as a result of this. On an annual basis, a financial forecast is prepared for City Fund.

In making this assessment the Trustee has considered the financial position of the charity in light of planned expenditure over the 12-month period from the date of signing these financial statements. The global pandemic of Coronavirus did not have an impact on income as the Charity has no income streams which would be affected by the closure of King George's Field. The charity is funded by the City of London Corporation's City Fund and the charity will be able to reduce its expenditure principally on grounds maintenance. For these reasons the Trustee continues to adopt a going concern basis for the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

ACCOUNTING POLICIES (continued)

(d) Statement of Cash Flows

AS per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of a grant from the Trustee, the City Corporation.

The City of London Corporation's City Fund meets the deficit on running expenses of the charity. This income is recognised in the SOFA when it is due from City Fund.

(f) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of 'expenditure on charitable activities'. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(i) Indemnity insurance

The Charity, elected Members and staff supporting the charity's administration are covered by the City Corporations insurance liability policies and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City Fund.

2. INCOME FROM THE CITY OF LONDON CORPORATION

	Unrestricted funds 2021/22 £	Unrestricted funds 2020/21 £
Revenue grant from City of London Corporation	**19,277**	19,722

Income for the year included:

Grants from the City of London Corporation – being the amount received from the City of London Corporation's City Fund to meet the deficit on running expenses of the charity

3. EXPENDITURE

Expenditure on charitable activities	**Unrestricted funds 2021/22 £**	Unrestricted funds 2020/21 £
Grounds maintenance costs	**16,881**	16,403
Surveyors maintenance costs	**2,296**	3,319
Support Costs	**100**	-
Total	**19,277**	19,722

Expenditure on the charitable activities includes labour, premises costs, equipment, materials, other supplies and services and administration fees incurred in the running of King George's Field-City of London.

4. SUPPORT COSTS

	Charitable activities £	Governance £	**2021/22 £**	2020/21 £
Department:				
Chamberlain	100	-	**100**	-
Town Clerk	-	-	**-**	-
Sub-total	100	-	**100**	-
Reallocation of governance costs	-	-	**-**	-
Total support costs	100	-	**100**	-

Following a review from 2021/22, the City Corporation, as Trustee, took a decision to seek reimbursement for the administration fees incurred from each of its charities.

5. AUDITOR'S REMUNERATION

Owing to the size of the charity, no audit or independent examination is required for King George's Field – City of London in 2021/22. In 2020/21 no audit fee was recharged and no other services were provided to the charity by its auditors during the year.

6. TRUSTEE EXPENSES

The members of the Finance Committee of the City of London Corporation are not remunerated and expenses are not reimbursed for acting on behalf of the Trustee during 2021/22 (2020/21: nil)

7. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	**Total as at 31 March 2022** £
Unrestricted funds:				
General funds	—	19,277	(19,277)	—

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	**Total as at 31 March 2021** £
Unrestricted funds:				
General funds	—	19,722	(19,722)	—

8. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets in the following table set out amounts due(to)/from another entity at the balance sheet date. Other figures represent the value of transactions during the year.

Related party	Connected party	2021/22 £	2020/21 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	**19,277** **(nil)**	19,722 (nil)	The City of London Corporation's City Fund meets the deficit on running expenses of the charity.

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: King George's Field–City of London

Registered charity number: 1085967

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

Environment Department

Juliemma McLoughlin – Executive Director of Environment (appointed 2 August 2021)

Colin Buttery – Director of Open Spaces (retired 31 October 2021)

Bankers

Lloyds Bank Plc., P.O.Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

Contact for The Chamberlain, to request copies of governance documents & of the Annual Report of City Fund:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

Guildhall Library Centenary Fund

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 206950

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 5

FINANCIAL REVIEW 5

STATEMENT OF FINANCIAL ACTIVITIES 8

BALANCE SHEET 9

NOTES TO THE FINANCIAL STATEMENTS 10

REFERENCE AND ADMINISTRATION DETAILS 17

ORIGINS OF THE CHARITY

The Charity in its current form is a merger of three very small charities following a review of these within the City Corporation in 2011. The assets of the English Philological Endowment Fund (Charity number 306000) and the Alderman Sir Samuel Wilson Charity (unregistered) were transferred to the Guildhall Library Centenary Fund.

It covers all the City of London collections outlined under *Objectives and Activities for the public benefit*. The key overall target is for the funds to be acquired and used for the purchase and conservation of items for and in these collections as the need arises. Additionally, the Fund will seek to identify small projects that deliver on the cross-collection nature of the charity and in particular the education of the public, potentially using funds as partner funding for external grant applications.

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The governing document of the charity is the Trust deed dated 7 March 1929 which was amended on 9 June 2011. Under the powers of the Charities Act 2011 this amendment has taken into account the transfer of the assets of the English Philological Endowment Fund (Charity number 306000) and the Alderman Samuel Wilson's Gift of Harbinger's Portraits (unregistered). The charity is constituted as a charitable trust.

GOVERNANCE ARRANGEMENTS

The Mayor and Commonalty and Citizens of the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic, is the Trustee of Guildhall Library Centenary Fund. The City Corporation is Trustee acting by the Court of Common Council of the City of London in its general corporate capacity and that executive body has delegated responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members, and where relevant, external appointees. External appointments are made after due advertisement and rigorous selection to fill gaps in skills.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

- **Policy and Resources Committee –** responsible for allocating resources and administering the charity.
- **Investment Committee –** responsible for the strategic oversight and monitoring of the performance of the charity's investments which are managed by three separate sub-committees, namely the Financial Investment Board, the Property Investment Board and the Social Investment Board.
- **Audit and Risk Management Committee –** responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity.
- **Culture, Heritage and Libraries Committee –** responsible for the activities undertaken by the Guildhall Library Centenary Fund charity and acting as Trustee of the charity.

The Culture, Heritage and Libraries Committee of the City of London Corporation administers the Charity on behalf of the Trustee. This committee comprises Aldermen and Common Councilmen elected to the City of London Corporation who are

appointed to this committee in accordance with the usual procedures of committee membership of the City of London Corporation.

All of the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

ORGANISATIONAL STRUCTURE AND DECISION-MAKING PROCESS

The charity is administered in accordance with its governing instruments and the City Corporation's own corporate governance and administration framework, including Committee Terms of Reference, Standing Orders, Financial Regulations and Officer Scheme of Delegations. These governance documents can be obtained via a request to the email address stated on page 17.

Each Member by virtue of their membership of the Court of Common Council, its relevant committees and sub-committees, has a duty to support the City Corporation in the proper exercise of its functions and in meeting its duties as trustee of the charity by faithfully acting in accordance with charity law, the Terms of Reference of the relevant committee or sub-committee, and the City of London Corporation's agreed corporate governance framework as noted above, backed up by its standards regime.

INDUCTION AND TRAINING OF MEMBERS

The City Corporation makes available to its Members, seminars and briefings on various aspects of its activities, including those concerning the charity, to enable Members to carry out their duties efficiently and effectively. If suitable seminars or other training options are identified that are relevant to the charity, Members are advised of these opportunities.

OBJECTIVES AND ACTIVITIES

The objective for Guildhall Library Centenary Fund is to advance the education and training of the public through the provision and conservation of library, archive, museum and gallery collections.

The City of London Corporation makes such seminars and briefings available to its Members as it considers are necessary to enable the Members to efficiently carry out their duties. Such events relate to various aspects of the City's activities, including those concerning Guildhall Library Centenary Fund.

The Charity Governance Code was published in July 2017. The Trustee is supportive of the Code and its aim to assist in the development of high standards of governance throughout the charity sector. The Trustee considers the application of recommended practice in the work of the Guildhall Library Centenary Fund charity.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. The legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”. Although Guildhall Library Centenary Fund charity does not undertake widespread fundraising from the general public, any such amounts receivable are presented in the financial statements as “voluntary income” including grants.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the executive team, who are accountable to the trustee. The charity is not bound by any regulatory scheme and does not consider it necessary to comply with any voluntary code of practice.

The charity has received no complaints in relation to fundraising activities in the current year (2020-21: nil). Individuals are not approached for funds, hence the charity does not consider it necessary to design specific procedures to monitor such activities.

Investment Policy

The charity’s investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy of the Charities Pool is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 17.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing Guildhall Library Centenary Fund’s aims and objectives and in planning future activities. The purpose of the charity is to advance the education and training of the public, in particular but not exclusively by the purchase of works of art, books, prints and articles of historical, archaeological or literary interest for the Guildhall Library.

Consequently, the Trustee considers that Guildhall Library Centenary Fund operates to benefit the general public and satisfies the public benefit test.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 17.

ACHIEVEMENTS AND PERFORMANCE

A decision was taken in January 2022 to close the charity given the charity's modest funds and the resulting challenges the charity will face in continuing to meet its charitable purpose in the future. The funds will be spent out in furtherance of the of the charitable purposes of the GLCF, being to advance the education and training of the public, in particular but not exclusively by the provision of library, archives, museum and gallery services. Once spent, the charity will be wound up and removed from the Register of Charities.

PLANS FOR FUTURE PERIODS

Following the decision taken by the Trustees as detailed above, in 2022/23 the investments will be sold and the funds will be applied to support education and training at the Guildhall Libraries, the Guildhall Art Gallery and the London Metropolitan Archives (LMA).

The restricted fund relates to a grant of £5,000 to the charity in 2019/2020 to support the conservation and boxing of the Charles Lamb Society Collection. These funds will be spent in accordance with the terms of that grant before the charity can be closed.

It is expected that the charity will be closed in the 12 months following the signing of the financial statements, and therefore the charity is no longer considered to be a going concern. Further detail regarding this is set out on page 10.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £643, an overall increase *o*f £106 against the previous year (2020/21: £537) all of which relates to dividends and interest.

Expenditure

In 2021/22 the charity's total expenditure for the year was £4,236 (2020/21: nil). The expenditure in the 2021/22 year relates to internal legal fees relating to the proposed closure of the charity of £3,036 (2020/21: £nil) and administrative support of £1,200 (2020/21: £nil): from 2021/22, the City Corporation, as Trustee, took a decision to seek reimbursement for the administration fees incurred from each of its charities which were charged for the first time in this year.

Funds held

The charity's total funds held decreased by £3,141 to £17,717 as at 31 March 2022 (2020/21: £20,858). Within the total funds held, £11,422 (2020/21: £10,902) represent permanent endowment funds which are held in perpetuity as a capital fund to generate income for the primary objectives of the charity.

Unrestricted Funds decreased during the year by £3,661 to £1,295 (2020/21: £4,956). There was no change to the Restricted Funds.

Details of all funds held, including their purposes, is set out in note 10.

Investments performance

Over the course of 2021/22 the Charities Pool investment strategy delivered an absolute return (gross of fees) of 11.06% which was below the FTSE All Share Index benchmark return of 13.03%, although this followed a period of outperformance in the prior year (the investment strategy gained 30.72% in 2020/21 versus 26.71% from the benchmark). The Charities Pool invests in an actively managed, high conviction strategy where performance is expected to be volatile over the short term. Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown below.

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**+7.3%**	**+6.2%**	5.0%	+7.2%
FTSE All Share	**+5.3%**	**+4.7%**	3.2%	+6.3%
Fund outperformance	**+2.0%**	**+1.5%**	+1.8%	+0.9%

	Total at 31 March 2022 £	**Total at 31 March 2021 £**
Equities		
UK	**9,286**	**8,906**
Overseas	**1,302**	**1,265**
Bonds - UK	**-**	**-**
Bonds - Overseas	**-**	**-**
Pooled Units	**674**	**578**
Cash held by Fund Manager	**160**	**153**
Total	**11,423**	**10,902**

Reserves policy

The decision to wind up the charity, taken on 31 January 2022, also included a decision to release all restrictions on the permanent endowment and spend it out. As such the full value of the permanent endowment was transferred to unrestricted income funds in the year.

The free reserves of the charity are held to cover working capital needs. The Trustee believes that a minimum amount of £2,000 should be held at present, which is subject to annual review. As at 31 March 2022 the charity held £12,717 as free reserves, which will be spent as part of the winding up of the charity as detailed above on page 5.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior

leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustee. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:						
Investments	2	643	-	-	**643**	537
Total income		643	-	-	**643**	537
Expenditure on:						
Charitable activities	3	4,236	-	-	**4,236**	-
Total expenditure		4,236	-	-	**4,236**	-
Net gains/(losses) on investments	8	-	-	520	**520**	2,151
Net unrealised gains/(loss) on investments	8	(68)	-	-	**(68)**	21
Net income and net movement in funds		(3,661)	-	520	**(3,141)**	2,709
Transfers between funds		11,422	-	(11,422)	**-**	-
Net movement in funds		7,761	-	(10,902)	**(3,141)**	2,709
Reconciliation of funds:						
Total funds brought forward	10	4,956	5,000	10,902	**20,858**	18,149
Total funds carried forward	10	12,717	5,000	-	**17,717**	20,858

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 10 to 16 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Investments	8	**11,422**	10,902
Total fixed assets		**11,422**	10,902
Current assets			
Cash at bank and in hand		**6,295**	9,956
Total current assets		**6,295**	9,956
Total net assets		**17,717**	20,858
The funds of the charity:			
Permanent endowment funds	10	**-**	10,902
Restricted income funds	10	**5,000**	5,000
Unrestricted income funds	10	**12,717**	4,956
Total funds		**17,717**	20,858

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 10 to 16 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

The financial statements are not prepared on a going concern basis due to the anticipated closure of the charity.

(b) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(c) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(d) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of managed investments.

(e) Expenditure

Expenditure is accounted for on an accruals basis and has been classified under the principal category of ‘expenditure on charitable activities’. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity

to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, took a decision to seek reimbursement for the administration fees incurred from each of its charities.

(f) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(g) Heritage Assets

On acquisition, heritage assets are initially recorded in the balance sheet at cost (for those acquired by purchase) or at valuation (for those acquired by donation), where such information is available.

In 2020/21, it was discovered that three paintings hung in Guildhall Art Gallery were legally owned by the Guildhall Library Centenary Fund, following a transfer from another charity in a 2011 scheme (which did not specifically name the assets). The paintings are held to advance education and training of the public in line with the objects of the Charity.

The Trustee does not consider that reliable cost or valuation information can be obtained for the paintings because of their unique features and the lack of comparable market values, and the lack of a valuation at the original date of transfer. Furthermore, the Trustee believes that the cost of obtaining a valuation of these assets would be onerous compared with the benefit that would be derived by users of the financial statements in assessing their stewardship of the asets. The Charity does not therefore recognise these assets on its balance sheet.

In accordance with the requirement of Section 34 of FRS 102 and Section 18 of SORP FRS 102, note 7 to the financial statements provides additional disclosures on the nature and significance of the charity's heritage assets, and access information.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to particular funds according to their purpose:

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Restricted funds – These include income that is subject to specific restrictions imposed by donors, with related expenditure deducted when incurred.

Unrestricted income funds – these funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Indemnity insurance

The City of London Corporation takes out indemnity insurance in respect of all its activities. The charity does not contribute to the cost of that insurance.

2. INCOME FROM INVESTMENTS

	Unrestricted funds **2021/22**	**Total 2021/22**	Unrestricted funds 2020/21	Total 2020/21
	£	**£**	£	£
Interest	643	**643**	537	537

3. EXPENDITURE

Expenditure on charitable activities

	Unrestricted funds			Unrestricted funds		
	Direct costs	Support costs	**Total 2021/22**	Direct costs	Support costs	Total 2020/21
	£	£	**£**	£	£	£
Other	3,036	1,200	**4,236**	-	-	-

The expenditure in the 2021/22 year relates to internal legal fees of £3,036 (2020/21: £nil) and administrative support of £1,200 (2020/21: £nil), see note 4.

4. SUPPORT COSTS

	Charitable activities £	**2021/22 £**	2020/21 £
Department:			
Chamberlain	1,200	**1,200**	-
Sub-total	1,200	**1,200**	-
Total support costs	1,200	**1,200**	-

Following a review from 2021/22, the City Corporation, as Trustee, took a decision to seek reimbursement for the administration fees incurred from each of its charities.

5. AUDITOR'S REMUNERATION

Owing to the size of the charity, no audit or independent examination is required for Guildhall Library Centenary Fund in 2021/22. In 2020/21 no audit fee was recharged to the charity.

6. TRUSTEE EXPENSES

The members of the Culture, Heritage and Libraries Committee of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

7. HERITAGE ASSETS

The Guildhall Library Centenary Fund holds three items which meet the definition of heritage assets, being two paintings by Alexander Ripppingille and one by Sir John Newton, referred to as the 'Harbinger paintings'.

The three paintings are held by the Guildhall Art Gallery which is free to the public and accessible during opening hours; and they are preserved and managed by the staff of the Gallery who are considered to be experts in this field. One painting is currently hanging whilst the other two are in store; members of the public can request a viewing of any paintings not on current display by contacting the Gallery team, and all paintings held in the collection are accessible online via the London Picture Archive.

The paintings are held on a long term basis for use in the charity's objects.

Whilst no reliable cost or valuation information is available, and obtaining such valuation would be onerous given the size and activities of the charity, it is helpful (as per Charity SORP 18.26) for the users of the financial statements to be aware that the insurance values of the three paintings is £20,463.

8. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charities Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	**2021**
	£	**£**
Market value 1 April	10,902	8,751
Additions	-	-
Disposals	-	-
Gain/(Loss) for the year	520	2,151
Market value 31 March	**11,422**	**10,902**
Cost 31 March	1,233	1,233
Units held in Charities Pool	**1,233**	**1,233**

The type of listed investments held as at 31 March 2022 was as follows:

	Total at 31 March 2022	**Total at 31 March 2021**
	£	**£**
Equities		
UK	**9,286**	**8,906**
Overseas	**1,302**	**1,265**
Bonds - UK	**-**	**-**
Bonds - Overseas	**-**	**-**
Pooled Units	**674**	**578**
Cash held by Fund Manager	**160**	**153**
Total	**11,422**	**10,902**

9. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022	Unrestricted funds	Restricted funds	Endowment funds	**Total at 31 March 2022**	Total at 31 March 2021
	General funds				
	£	£	£	£	£
Fixed assets - investments	11,422	-	-	**11,422**	10,902
Current assets	1,295	5,000	-	**6,295**	9,956
Total	12,717	5,000	-	**17,717**	**20,858**

At 31 March 2021	Unrestricted funds	Restricted funds	Endowment funds	**Total at 31 March 2021**	Total at 31 March 2020
	General funds				
	£	£	£	£	£
Fixed assets - investments	-	-	10,902	**10,902**	8,751
Current assets	4,956	5,000	-	**9,956**	9,398
Total	4,956	5,000	10,902	**20,858**	**18,149**

10. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Unrealised gains & (losses) £	Transfers £	**Total as at 31 March 2022 £**
Endowment funds:							
Permanent endowment	10,902	-	-	520	-	(11,422)	**-**
Restricted funds:	5,000	-	-	-	-	-	**5,000**
Unrestricted funds:							
General funds	4,956	643	(4,236)	-	(68)	11,422	**12,717**
Total funds	20,858	643	(4,236)	520	(68)	-	**17,717**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Unrealised gains & (losses) £	Transfers £	Total as at 31 March 2021 £
Endowment funds:							
Permanent endowment	8,751	-	-	2,151	-	-	10,902
Restricted funds:	5,000	-	-	-	-	-	5,000
Unrestricted funds:							
General funds	4,398	537	-	-	21	-	4,956
Total funds	18,149	537	-	2,151	21	-	20,858

Purpose of endowment funds

The permanent endowment fund is held in perpetuity as a capital fund to generate income for the activities of the charity and represents the original assets of the charity, reported at current market value. Any income from this fund is accounted for within unrestricted income funds.

This fund represents the original endowment invested and shown at current market value. The purpose of the fund is:

To build up an endowment fund to care for the special collections housed within Guildhall Library for the use of future generations

To build up a fund which enables the purchase of rare, unique and expensive items which would complement the holdings of Guildhall Library for the public to enjoy.

Purpose of restricted funds

In 2019/20 the charity received a grant of £5,000 to contribute towards specific works at the Guildhall Library, therefore the grant is being held in a Restricted Fund until the works are able to take place.

11. RELATED PARTY TRANSACTIONS

The City Corporation is the sole Trustee of the charity, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date.

Related party	**Connected party**	**2021/22** £	2020/21 £	**Detail of transaction**
City of London Corporation	The City of London Corporation is the Trustee for the charity	**643 (nil)**	537 (nil)	Distribution from the Charities Pool

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: Guildhall Library Centenary Fund

Registered charity number: 206950

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

BANKERS:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT ADVISORS:

Artemis Investment Management Limited, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

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The Vickers Dunfee Memorial Benevolent Fund

Annual Report and Financial Statements for the year ended 31 March 2022

Charity registration number 238878

CONTENTS

ORIGINS OF THE CHARITY 1

STRUCTURE AND GOVERNANCE 2

ACHIEVEMENTS AND PERFORMANCE 4

FINANCIAL REVIEW 5

STATEMENT OF FINANCIAL ACTIVITIES 7

BALANCE SHEET 8

NOTES TO THE FINANCIAL STATEMENTS 9

REFERENCE AND ADMINISTRATION DETAILS 15

ORIGINS OF THE CHARITY

The charity was founded in 1927 as a memorial to the late Colonel Vickers Dunfee who served as Commandant of the City of London Police Reserve. The monies were raised by public subscription by the then Lord Mayor of London and the City of London Corporation.

The income of the charity is applied for the relief of such distressed past and present members of the City of London Special Constabulary or their dependants as the Trustees think fit.

The Trustees shall apply income of the charity for the relief of such distressed past members of the City of London Police or their dependants as they think fit subject to maintaining sufficient funds to meet their obligations as set out above.

TRUSTEES' ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The constitution of this charity is set out in its governing document dated 1961, as amended by resolution made under the Charities Act 1993, section 74, effective from 19th June 2005.

GOVERNANCE ARRANGEMENTS

Individuals act as Trustees of the charity by virtue of positions that they hold with the City of London (also referred to as 'the City Corporation' or 'the City of London Corporation'), a body corporate and politic. These individuals act as Trustees during the tenure of these positions. The City Corporation, acting by the Court of Common Council of the City of London in its general corporate capacity delegates responsibility in respect of the administration and management of this charity to various committees and sub-committees of the Common Council, membership of which is drawn from 125 elected Members of the Common Council and external appointees to those committees. In making appointments to committees, the Court of Common Council will take into consideration any particular expertise and knowledge of the elected Members.

Members of the Court of Common Council are unpaid and are elected by the electorate of the City of London. The Key Committees which had responsibility for directly managing matters related to the charity during 2021/22 were as follows:

Audit & Risk Management Committee – responsible for overseeing systems of internal control and making recommendations to the Finance Committee relating to the approval of the Annual Report and Financial Statements of the charity;

Finance Committee – responsible for approval of the Annual Report and Financial Statements.

All the above committees are ultimately responsible to the Court of Common Council of the City of London. Committee meetings are held in public, enabling the decision-making process to be clear, transparent and publicly accountable. Details of the membership of Committees of the City Corporation are available at www.cityoflondon.gov.uk

The Trustees believes that good governance is fundamental to the success of the charity. A comprehensive review of governance commenced during 2019/20 and is ongoing to ensure that the charity is effective in fulfilling its objectives. Reference is being made to the good practices recommended within the Charity Governance Code throughout this review. Focus is being placed on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries.

OBJECTIVES AND ACTIVITIES

The objective of the charity is for the relief of distressed past or present members of the City of London special constabulary and their dependants, with any excess income able to be applied for similar purposes to past and current members of the City of London Police or their dependents as the Trustees think fit.

The Trustees shall apply income of the charity for the relief of such distressed past members of the City of London Police or their dependents as they think fit subject to maintaining sufficient funds to meet their obligations as set out above.

The above purposes are restricted by a general provision of the scheme which prevents the funds or the income of the charity being applied in relief of rates, taxes or other public funds. The Trustees have due regard to the Charity Commission's public benefit guidance when setting objectives and planning activities.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 15.

Public benefit statement

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The Vickers Dunfee Memorial Benevolent Fund's aims and objectives and in planning future activities. The purpose of the charity is as stated above. These purposes are restricted by a general provision of the governing scheme which prevents the funds or the income of the charity being applied in relief of rates, taxes or other public funds.

Consequently, the Trustees consider that The Vickers Dunfee Memorial Benevolent Fund operates to benefit the general public and satisfies the public benefit test.

Policy on grant making

The charity has established its grant making policy to achieve its objects, as laid out above, for the public benefit. Any applications are assessed via a robust process to ensure the proposed activities for funding will be supported by adequate and appropriate resources and will be used only for activities that match the charity's criteria. These guidelines are available from the Town Clerk at the City of London Corporation. Grants, when made, are recognised in the Statement of Financial Activities when they have been approved by the Trustees and notified to the Beneficiaries.

REFERENCE AND ADMINISTRATIVE DETAILS

The administrative details of the charity are stated on page 15.

ACHIEVEMENTS AND PERFORMANCE

During the year, no grants were awarded (2020/21: no grants were awarded).

PLANS FOR FUTURE PERIODS

To continue to use the income of the charity for the relief of such distressed past and present members of the City of London Special Constabulary as the Trustees think fit.

The Trustees do not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 9.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2021/22 the charity's total income for the year was £9,735 an overall increase of £1,730 against the previous year (£8,005).

The key contributor to income was from investments returns of £9,303 (2020/21: £7,030). A further small amount of income was earned from interest on cash balances of £432 (2020/21: £975).

Expenditure

Total expenditure for the year was £1,250 (2020/21: £40).

Investment performance

As at 31 March 2022, the investments held in the Charities Pool achieved a return of +11.06% (2020/21: +30.72%) compared to the FTSE All Share Index return of +13.03% (2020/21: +26.71). Over three years this fund achieved a return of +7.35% (2020/21: +5.04%) compared to the FTSE All Share Index return of +5.31% (2020/21: +3.19%). Over five years, the fund achieved a return of +6.16% (2020/21: +7.19%) compared to the FTSE All Share Index return of +4.69% (2020/21: +6.29%).

	2021/22		2020/21	
	3 year	**5 year**	3 year	5 year
Fund	**7.35%**	**6.16%**	5.04%	7.19%
FTSE All Share	**5.31%**	**4.69%**	3.19%	6.29%
Fund Outperformance	**2.04%**	**1.47%**	1.85%	0.90%

Funds held

The charity's total funds held increased by 6.75% to £272,707 as at 31 March 2022 (2020/21: £255,472). Within the total funds held, £179,224 (2020/21: £170,474) represent permanent endowment funds which are held in perpetuity as a capital fund to generate income for the primary objectives of the charity. Any income arising from this capital is accounted for within unrestricted funds.

Unrestricted income funds amounted to £93,483 (2020/21: £84,998). These funds are held for use in future years in accordance with the objectives of the charity.

Details of all funds held, including their purposes, is set out within Note 8 to the financial statements.

Reserves

The Reserves Policy is to maintain the endowment funds of the charity in invest-ments in the Charities Pool administered by the City of London Corporation and use

the investment income together with other funds, in accordance with the objectives of the charity. The free reserves of the charity are held to cover working capital needs. The Trustees believe that a minimum amount of £2,000 should be held at present, which will be subject to annual review. As at 31 March 2022 the charity held £93,483 as free reserves, amounts which are available to support charitable activities in future years; funds held are above the minimum amount and this will be factored into future plans for the charity.

Principal Risks and Uncertainties

The charity is committed to a programme of risk management as an element of its strategy to preserve the charity's assets. In order to embed sound practice the senior leadership team ensures that risk management policies are applied, that there is an on-going review of activity and that appropriate advice and support is provided. A key risk register has been prepared for the charity, which has been reviewed by the Trustees. This identifies the potential impact of key risks and the measures which are in place to mitigate such risks.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £	Endowment Funds £	**2021/22 Total Funds £**	2020/21 Total Funds £
Income from:					
Investments	2	9,735	-	**9,735**	8,005
Total income		9,735	-	**9,735**	8,005
Expenditure on:					
Charitable activities	3	1,250	-	**1,250**	40
Total expenditure		1,250	-	**1,250**	40
Net gains on investments	5	-	8,136	**8,136**	33,644
Net (losses) on short term deposits		(613)	-	**(613)**	-
Net income		7,872	8,136	**16,007**	41,609
Net movement in funds		7,872	8,136	**16,007**	41,609
Reconciliation of funds:					
Total funds brought forward	7	84,998	170,474	**255,472**	213,864
Total funds carried forward	7	92,870	178,610	**271,479**	255,473

All of the above results are derived from continuing activities.

There were no other recognised gains and losses other than those shown above.

The notes on pages 9 to 14 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	**2022 Total £**	2021 Total £
Fixed assets:			
Investments	5	**178,610**	170,474
Total fixed assets		**178,610**	170,474
Current assets			
Cash at bank and in hand		**92,870**	84,998
Total current assets		**92,870**	84,998
Total net assets		**271,480**	255,472
The funds of the charity:			
Endowment funds		**178,610**	170,474
Unrestricted income funds	7	**92,870**	84,998
Total funds		**271,480**	255,472

The notes on pages 9 to 14 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

XX January 2023

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements of the charity.

(a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019) and the Charities Act 2011.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The charity only spends the income that is generated from its investments, so maintaining its capital base. The latest forecast anticipates that adequate funds will be available in the 12 months from the date of these financial statements being signed to enable the charity to continue to meet any obligations that might arise.

In making this assessment, the Trustees have considered the potential ongoing impact of the Covid-19 pandemic and the current high inflationary pressures on the value of investment assets held, future income levels, expenditure requirements and the liquidity of the charity over the 12-month period from the date of the signed accounts. Trustees have not identified any indication that the charity will not be able to meet liabilities, including planned liabilities, as they fall due. For this reason, the Trustees continue to adopt a going concern basis in the preparation of the financial statements.

(c) Key management judgements and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of decisions about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any material revisions requiring disclosure.

(d) Statement of Cash Flows

As per section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

All income is included in the Statements of Financial Activities (SOFA) when the charity is legally entitled to the income; it is more likely than not that economic benefit associated with the transaction will come to the charity and the amount can be quantified with reasonable certainty. Income consists of managed investment income and interest.

(f) Expenditure

Expenditure is accounted for on an accruals basis and would be classified under the principal category of 'expenditure on charitable activities. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

The charity does not employ any staff. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the Trustees have taken the decision for the City Corporation to be reimbursed for the charity's administration fees incurred from each of its charities.

(g) Taxation

The charity meets the definition of a charitable trust for UK income tax purposes, as set out in Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the charity is exempt from UK taxation in respect of income or capital gains under part 10 of the Income Tax Act 2007 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

Income, expenditure and gains/losses are allocated to funds according to their purpose:

Permanent endowment fund – This fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original

donors and trusts. Income generated from the investments which represent these funds can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund. Gains/losses on the underlying assets remain as part of the endowment.

Unrestricted income funds – These funds can be used in accordance with the charitable objects at the discretion of the Trustee and include both income generated by assets held within the permanent endowment fund and from those representing unrestricted funds. Specifically, this represents the surplus of income over expenditure for the charity which is carried forward to meet the requirements of future years, known as free reserves.

(j) Insurance

The charity elected Members and staff supporting the charity's administration are covered by the City Corporation's insurance liability policies, and otherwise under the indemnity the City Corporation provides to Members and staff, funded from City's Cash.

2. INCOME

	Unrestricted funds	**Total 2021/22**	Total 2020/21
	£	**£**	£
Investment income	9,303	**9,303**	7,030
Interest	432	**432**	975
Total	9,735	**9,735**	8,005

3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2021/22	Total 2020/21
	£	£
Write offs	**-**	40
Administration and management	**1,250**	-
Total	**1,250**	40

4. TRUSTEE EXPENSES

Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2021/22 (2020/21: nil).

5. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2022	2021
	£	£
Market value 1 April	**170,474**	136,830
(Loss)/gain for the year	**8,136**	33,644
Market value 31 March	**178,610**	170,474
Cost 31 March	**133,996**	133,996
Units held in Charities Pool	**19,280**	19,280

The type of listed investments held as at 31 March was as follows:

	Total at 31 March 2022	Total at 31 March 2021
	£	£
Equities	**165,512**	159,034
Pooled Units	**10,486**	9,120
Cash held by Fund Manager	**2,612**	2,320
Total	**178,610**	170,474

6. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2022

	Unrestricted funds	**Endowment Funds**	**Total at 31 March 2022**
	£	**£**	**£**
Fixed assets - investments	-	178,610	**178,610**
Current assets	92,870	-	**92,870**
Total	**92,870**	**178,610**	**271,480**

At 31 March 2021

	Unrestricted funds	Endowment Funds	Total at 31 March 2021
	£		£
Fixed assets - investments	-	170,474	170,474
Current assets	84,998	-	84,998
Total	84,998	170,474	255,472

7. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	**Total as at 31 March 2022 £**
Endowment funds :					
Permanent / Expendable	170,474	-	-	8,136	**178,610**
Unrestricted funds	84,998	9,735	(1,250)	(613)	**92,870**
Total funds	255,472	9,735	(1,250)	7,523	**271,480**

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	**Total as at 31 March 2021 £**
Endowment funds :					
Permanent / Expendable	136,831	-	-	33,643	170,474
Unrestricted funds	77,033	8,005	(40)	-	84,998
Total funds	213,864	8,005	(40)	33,643	255,472

Purpose of endowment funds

The endowment fund consists of the original endowment of the charity as well as cumulative investment gains and losses on revaluation.

Unrestricted income funds

Grants awarded are charged to this fund and any undistributed annual income is carried forward in this fund to be utilised in subsequent years.

8. RELATED PARTY TRANSACTIONS

Individuals act as Trustees of the charity by virtue of positions that they hold with the City Corporation, a body corporate and politic, as listed on page 14. These individuals act as Trustees during the tenure of these positions, as described on page 2.

The charity is required to disclose information on related party transactions with bodies or individuals that have the potential to control or influence the charity. Members are required to disclose their interests, and these can be viewed online at www.cityoflondon.gov.uk.

Members and senior staff are requested to disclose all related party transactions, including instances where their close family has made such transactions.

Figures in brackets represent the amounts due at the balance sheet date. Other figures represent the value of the transactions during the year.

Related party	Connected party	2021/22	2020/21	Detail of transaction
		£	£	
Charities Pool	The City of London Corporation is the Trustee for the charity	**9,735** **(-)**	**7,030** **(-)**	Distribution from the Charities Pool
City of London Corporation	The City of London Corporation is the Trustee for the charity	**1,250** **(-)**	- (-)	Management and administration fees

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The Vickers Dunfee Memorial Benevolent Fund

Registered charity number: 238878

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEES:

The Lord Mayor, The Chief Commoner, Chairman of the Police Authority Board, Commissioner of the City Police, Assistant Commissioner of the City Police, Commandant of the City of London Special Constabulary, Divisional Officer of the City of London Special Constabulary, City of London Police Welfare Officer.

SENIOR MANAGEMENT:

Chief Executive

John Barradell OBE - The Town Clerk and Chief Executive of the City of London Corporation (retired 31 December 2022)

Treasurer

Caroline Al-Beyerty - The Chamberlain and Chief Financial Officer of the City of London Corporation

Solicitor

Michael Cogher - The Comptroller and City Solicitor of the City of London Corporation

BANKER:

Lloyds Bank Plc., P.O. Box 72, Bailey Drive, Gillingham Business Park, Kent ME8 0LS

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain, to request copies of governance documents:

PA-ChamberlainSecretariat@cityoflondon.gov.uk

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