

Emanuel Hospital

Annual Report and Financial Statements for the year  
ended 31 March 2021

Charity registration number 206952

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## 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 body corporate and politic 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](http://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 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 objectives of the charity were:

- To offer an annual pension to eligible persons and to include a Christmas bonus (if the year's investment income is sufficient); and
- To grant assistance to eligible persons in the form of payments for exceptional and essential items, services or facilities where those in need are over the age of 60 and are in need by reason of poverty, old age, ill-health, accident or infirmity.

From 22 October 2019, the objectives were amended to become 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.

## **ACHIEVEMENTS AND PERFORMANCE**

Following a review of the Emanuel Hospital charity's governance and administration, the Trustee agreed in July 2020 that new arrangements should be put in place to support the more effective administration of the charity. It was agreed that an Emanuel Hospital Management Sub-Committee (EH Sub-Committee) should be established with wide discretion to deal with the administration of the charity (with the support of City Corporation officers).

The EH Sub-Committee's inaugural meeting in November 2020 agreed to continue to fund the existing Lady Dacre pensioners (to include the previous Ada Lewis Winter Distress Fund (ALWDF) beneficiaries subject to their eligibility and consent), and otherwise to focus the charity's efforts on strategic grant making activities to support older people currently residing in Greater London.

The charity continued to support eligible individuals in the form of a pension payment, being met from income earned by the charity. In 2020/21 income was sufficient to meet all pension payments. As at 31 March 2021, 20 pensioners were receiving payments (31 March 2020: 21 pensioners) including an additional 3 former ALWDF Beneficiaries.

## **PLANS FOR FUTURE PERIODS**

The charity proposes to develop a strategic approach for future grant-making and will be developing proposals alongside other charities that meet its objectives. As part of this new strategic approach 2 grants, totalling £442,584, were approved by the EH Sub-Committee in May 2021. For more details on the grants awarded see Note 11 on page 20.

The Trustee does not consider there to be any material uncertainty around going concern and further detail regarding this is set out on page 14.

# FINANCIAL REVIEW

## Overview of Financial Performance

### Income

In 2020/21 the charity's total income for the year was £121,391, an overall decrease of £293,896 against the previous year (2019/20: £415,287). This decrease is attributed to Emanuel Hospital having received £312,502 from the transfer of net assets from other charities in 2019/20.

All income received was from investments (2019/20: £102,785).

### Expenditure

Total expenditure for the year was £43,096, all being for the category charitable activities (2019/20: £37,197). A total of £35,249 was paid as pensions during the year (2019/20: £34,799), benefitting 23 pensioners. Legal fees of £7,847 were incurred as part of the costs of establishing the new grant making strategy and governance structure as a result of the new Scheme being applied and approved, following initial expenditure for the first time in the previous year (2019/20: £2,398).

### Investment performance

Financial markets recovered strongly over the twelve months to 31 March 2021 following the decline in asset prices in early 2020 during the emergence of the global pandemic. Under these conditions, investments held in the Charities Pool performed very well, generating a gross return of +30.72% for 2020/21 (2019/20: -14.78%) which compares favourably against the FTSE All Share Index benchmark return of +26.71% (2019/20 -18.45%). As a result, the longer-term performance of the Charities Pool investments, as displayed in the table below, has significantly improved compared to the position reported twelve months ago.

	2020/21		2019/20	
	3 year	5 year	3 year	5 year
City of London Charities Pool	<b>5.04%</b>	<b>7.19%</b>	-2.44%	1.37%
FTSE All Share	<b>3.19%</b>	<b>6.29%</b>	-4.24%	0.57%
Fund outperformance	<b>1.85%</b>	<b>0.90%</b>	1.80%	0.80%

### Funds held

The charity's total funds held increased by £641,708 or 24.5% to £3,260,752 as at 31 March 2021 (2019/20: £2,619,044), owing mostly to large net gains on investments in 2020/21. Within the total funds held, £1,705,333 (2019/20: £1,368,785) 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 charity's designated funds as at 31 March 2021 totalled nil (2019/20: £816,742). During the year the Trustee decided to transfer previously designated funds to the general fund. These funds were transferred on the grounds that the charity's permanent endowment fund generates sufficient income to meet the agreed level of support to the Lady Dacre Pensioners on an on-going basis.

The general fund represents funds that are available for distribution in accordance with the purpose of Emanuel Hospital, with £1,555,419 held at the year-end (2019/20: £433,517). This increase is as a result of the investment gains and transfer from designated funds, noted above.

Details of all funds held, including their purposes, is set out within note 9 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 2020/21 to meet future working capital needs. The Trustee believes that an amount of £45,000 should be held, which will be subject to annual review. As at 31 March 2021 the charity held £1,555,419 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, there are plans for a strategic grant programme to spend down the reserves in line with this target. For more details see the Plans for Future Periods 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. 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.

Alderman & Sheriff Professor Michael Mainelli

XX December 2021

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF EMMANUEL HOSPITAL

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 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.

We have audited the financial statements of Emanuel Hospital ("the Charity") for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

We remain independent of the Charity in accordance with the ethical requirements 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.

## Conclusions related 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. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises: Trustee's Annual Report. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **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 Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate accounting records have not been kept; 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 Trustee**

As explained more fully in the Trustee's responsibilities statement, 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 determines 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 intends 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 Act 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and the sector within which it operates. This included but was not limited to compliance with the Charities Act 2011, United Kingdom Accounting Standards, and tax legislation;
- We held discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- We requested and reviewed any regulatory correspondence, in particular compliance with the Charity Commission, and details of legal expenses;
- We addressed the risk of management override, in particular by testing any journal entries containing material or round sum amounts, and any irregular journals;
- We have considered the control environment at both entity level and financial statement level to consider the ability to detect and prevent fraud; and
- We reviewed the financial statement disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations that have a direct effect on the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Heather Wheelhouse, Senior Statutory Auditor  
BDO LLP, statutory auditor  
London, UK

**XX** December 2021

BDO 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.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# STATEMENT OF FINANCIAL ACTIVITIES

## FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Endowment Funds £	2020/21 Total Funds £	2019/20 Total Funds £
<b>Income from:</b>					
Investments	2	121,391	-	<b>121,391</b>	102,785
Other	3	-	-	-	312,502
<b>Total income</b>		<b>121,391</b>	<b>-</b>	<b>121,391</b>	<b>415,287</b>
<b>Expenditure on:</b>					
Charitable activities	3	43,096	-	<b>43,096</b>	37,197
<b>Total expenditure</b>		<b>43,096</b>	<b>-</b>	<b>43,096</b>	<b>37,197</b>
Net gains/(losses) on investments	7	226,483	336,548	<b>563,031</b>	(480,978)
Net gains/(losses) short term deposit		382	-	<b>382</b>	-
<b>Net income/(expenditure) and net movement in funds</b>		<b>305,160</b>	<b>336,548</b>	<b>641,708</b>	<b>(102,888)</b>
<b>Net movement in funds</b>		<b>305,160</b>	<b>336,548</b>	<b>641,708</b>	<b>(102,888)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	9	1,250,259	1,368,785	<b>2,619,044</b>	2,721,932
<b>Total funds carried forward</b>	<b>9</b>	<b>1,555,419</b>	<b>1,705,333</b>	<b>3,260,752</b>	<b>2,619,044</b>

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 20 form part of these financial statements.

**BALANCE SHEET****AS AT 31 MARCH 2021**

	Notes	<b>2021 Total £</b>	<b>2020 Total £</b>
<b>Fixed assets</b>			
Investments	7	<b>2,852,951</b>	2,289,920
<b>Total fixed assets</b>		<b>2,852,951</b>	2,289,920
<b>Current assets</b>			
Cash at bank and in hand		<b>407,801</b>	329,124
<b>Total current assets</b>		<b>407,801</b>	329,124
<b>Total net assets</b>		<b>3,260,752</b>	2,619,044
<b>The funds of the charity:</b>			
Endowment funds	9	<b>1,705,333</b>	1,368,785
Unrestricted income funds	9	<b>1,555,419</b>	1,250,259
<b>Total funds</b>		<b>3,260,752</b>	2,619,044

The notes on pages 14 to 20 form part of these financial statements.

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

Chamberlain of London and Chief Financial Officer

2021

# 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 likely financial position in light of planned expenditure and the ongoing economic impact of Covid-19, and has not identified any indication that the charity will not be able to meet liabilities, including planned liabilities, 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 despite previous reductions in investment values that occurred with Covid-19. In the unlikely event that in a particular year the income received, in addition to the funds balances carried forward from previous years, were not sufficient to maintain the pensions currently paid out, the Trustee is under no obligations to pay out pensions. The Trustee could 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**

	<b>Unrestricted funds 2020/21 £</b>	<b>Unrestricted funds 2019/20 £</b>
Investment income	<b>117,657</b>	101,693
Interest	<b>3,734</b>	1,092
<b>Total</b>	<b>121,391</b>	102,785

**3. OTHER INCOME**

	<b>Total 2020/21 £</b>	<b>Total 2019/20 £</b>
Transfer of funds from closed charities:		
The Ada Lewis Winter Distress Fund	-	259,470
Mansion House Staff Fund	-	53,032
<b>Total</b>	<b>-</b>	<b>312,502</b>

During 2019/20, the charity received the net assets of £312,502 from the transfer of The Ada Lewis Winter Distress Fund and Mansion House Staff Fund.

#### 4. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2020/21 £	Unrestricted funds 2019/20 £
Lady Dacre Pensions	35,249	34,799
Legal fees	7,847	2,398
<b>Total</b>	<b>43,096</b>	<b>37,197</b>

There were no hardship grants made during the year (2019/20: £nil).

#### 5. AUDITOR'S REMUNERATION

The City Corporation's external auditor audits this charity as one of the numerous charities of which the City Corporation 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 2020/21 no audit fee was recharged (2019/20: £nil). No other services were provided to the charity by its auditors during the year (2019/20: £nil).

#### 6. 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 2020/21 (2019/20: 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:

	2021 £	2020 £
Market value 1 April	2,289,920	2,566,741
Additions	-	204,157
Gain/(Loss) for the year	563,031	(480,978)
<b>Market value 31 March</b>	<b>2,852,951</b>	<b>2,289,920</b>
<b>Cost 31 March</b>	<b>2,636,717</b>	<b>2,636,717</b>
Units held in Charities Pool	322,659	322,659

The type of listed investments held as at 31 March was as follows:

	Held in the UK £	Held outside the UK £	<b>Total at 31 March 2021 £</b>	Held in the UK £	Held outside the UK £	<b>Total at 31 March 2020 £</b>
Equities	2,329,953	331,548	<b>2,661,501</b>	1,767,818	265,631	2,033,449
Pooled Units	152,617	-	<b>152,617</b>	164,874	-	164,874
Cash held by Fund Manager	38,833	-	<b>38,833</b>	91,597	-	91,597
<b>Total</b>	<b>2,521,403</b>	<b>331,548</b>	<b>2,852,951</b>	2,024,289	265,631	2,289,920

## 8. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2021	Unrestricted income funds			Endowment funds £	<b>Total at 31 March 2021 £</b>	Total at 31 March 2020 £
	General funds £	Designated Funds £				
Fixed assets - investments	1,147,618	-		1,705,333	2,852,951	2,289,920
Current assets	407,801	-		-	407,801	329,124
<b>Total</b>	<b>1,555,419</b>	<b>-</b>		<b>1,705,333</b>	<b>3,260,752</b>	<b>2,619,044</b>

At 31 March 2020	Unrestricted funds			Endowment funds £	<b>Total at 31 March 2020 £</b>	Total at 31 March 2019 £
	General funds £	Designated Funds £				
Fixed assets - investments	104,393	816,742		1,368,785	2,289,920	2,566,741
Current assets	329,124	-		-	329,124	155,191
<b>Total</b>	<b>433,517</b>	<b>816,742</b>		<b>1,368,785</b>	<b>2,619,044</b>	<b>2,721,932</b>

## 9. MOVEMENT IN FUNDS

At 31 March 2021	Total as at 1 April 2020 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	<b>Total as at 31 March 2021 £</b>
Permanent endowment funds	1,368,785	-	-	336,548	-	<b>1,705,333</b>
Unrestricted income funds:						
General funds	433,517	121,391	(43,096)	226,865	816,742	<b>1,555,419</b>
Designated funds	816,742	-	-	-	(816,742)	<b>-</b>
<b>Total unrestricted income funds</b>	<b>1,250,259</b>	<b>121,391</b>	<b>(43,096)</b>	<b>226,865</b>	<b>-</b>	<b>1,555,419</b>
<b>Total funds</b>	<b>2,619,044</b>	<b>121,391</b>	<b>(43,096)</b>	<b>563,413</b>	<b>-</b>	<b>3,260,752</b>

At 31 March 2020	Total as at 1 April 2019	Income	Expenditure	Gains & (losses)	Transfers	Total as at 31 March 2020
	£	£	£	£	£	£
Permanent endowment funds	1,482,071	165,191	-	(278,477)	-	1,368,785
Unrestricted income funds:						
General funds	236,344	250,096	(37,197)	(15,726)	-	433,517
Designated funds	1,003,517	-	-	(186,775)	-	816,742
Total unrestricted income funds	1,239,861	250,096	(37,197)	(202,501)	-	1,250,259
Total funds	2,721,932	415,287	(37,197)	(480,978)	-	2,619,044

### 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 has now been released to the general fund.

#### 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.

During the year the Trustee decided to transfer previously designated funds to the general fund. These funds were transferred on the grounds that the charity's permanent endowment fund generates sufficient income to meet the agreed level of support to the Lady Dacre Pensioners on an on-going basis.

## 10. 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](http://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	2020/21 £	2019/20 £	Detail of transaction
Charities Pool	The City of London Corporation is the Trustee for the charity	<b>118,039</b> (-)	101,693 (-)	Distribution from the Charities Pool

## 11. SUBSEQUENT EVENTS

The Emanuel Hospital Management Sub-Committee convened on 21 May 2021 to approve two grants totalling £442,584, the details of which are as follows:

- Grant award to Friends of the Elderly (Charity Reg. No 226064) in the sum of £117,396;
- Grant award to Age UK (Charity Reg. No.1128267) in the sum of £325,188.

Both grants have been awarded out of unrestricted general funds.

## 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

**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:**

BDO LLP, 55 Baker Street, London, W1U 7EU

**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](mailto:PA-DeputyChamberlain@cityoflondon.gov.uk)