

The Vickers Dunfee Memorial Benevolent Fund

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

Charity registration number 238878

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## 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 19<sup>th</sup> 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](http://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%
<b>Fund Outperformance</b>	<b>2.04%</b>	<b>1.47%</b>	<b>1.85%</b>	<b>0.90%</b>

#### 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 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 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 <b>Total Funds</b> £	2020/21 Total Funds £
<b>Income from:</b>					
Investments	2	9,735	-	<b>9,735</b>	8,005
<b>Total income</b>		<b>9,735</b>	-	<b>9,735</b>	8,005
<b>Expenditure on:</b>					
Charitable activities	3	1,250	-	<b>1,250</b>	40
<b>Total expenditure</b>		<b>1,250</b>	-	<b>1,250</b>	40
Net gains on investments	5	-	8,136	<b>8,136</b>	33,644
Net (losses) on short term deposits		(613)	-	<b>(613)</b>	-
<b>Net income</b>		<b>7,872</b>	8,136	<b>16,007</b>	41,609
<b>Net movement in funds</b>		<b>7,872</b>	8,136	<b>16,007</b>	41,609
<b>Reconciliation of funds:</b>					
Total funds brought forward	7	84,998	170,474	<b>255,472</b>	213,864
<b>Total funds carried forward</b>		<b>92,870</b>	178,610	<b>271,479</b>	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 £
<b>Fixed assets:</b>			
Investments	5	<b>178,610</b>	170,474
<b>Total fixed assets</b>		<b>178,610</b>	170,474
<b>Current assets</b>			
Cash at bank and in hand		<b>92,870</b>	84,998
<b>Total current assets</b>		<b>92,870</b>	84,998
<b>Total net assets</b>		<b>271,480</b>	255,472
<b>The funds of the charity:</b>			
Endowment funds		<b>178,610</b>	170,474
Unrestricted income funds	7	<b>92,870</b>	84,998
<b>Total funds</b>		<b>271,480</b>	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
<b>Total</b>	<b>9,735</b>	<b>9,735</b>	<b>8,005</b>

## 3. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2021/22	Total 2020/21
	£	£
Write offs	-	40
Administration and management	1,250	-
<b>Total</b>	<b>1,250</b>	<b>40</b>

## 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	<b>170,474</b>	136,830
(Loss)/gain for the year	<b>8,136</b>	33,644
<b>Market value 31 March</b>	<b>178,610</b>	170,474
<b>Cost 31 March</b>	<b>133,996</b>	133,996
Units held in Charities Pool	<b>19,280</b>	19,280

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

	Total at 31 March	Total at 31 March
	2022	2021
	£	£
Equities	<b>165,512</b>	159,034
Pooled Units	<b>10,486</b>	9,120
Cash held by Fund Manager	<b>2,612</b>	2,320
<b>Total</b>	<b>178,610</b>	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	<b>178,610</b>
Current assets	92,870	-	<b>92,870</b>
<b>Total</b>	<b>92,870</b>	<b>178,610</b>	<b>271,480</b>

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
<b>Total</b>	<b>84,998</b>	<b>170,474</b>	<b>255,472</b>

## 7. MOVEMENT IN FUNDS

At 31 March 2022	Total as at 1 April 2021				Gains & (losses) £	Total as at 31 March 2022 £
	Income £	Expenditure £				
<b>Endowment funds :</b>						
Permanent / Expendable	170,474	-	-		8,136	<b>178,610</b>
Unrestricted funds	84,998	9,735	(1,250)		(613)	<b>92,870</b>
<b>Total funds</b>	<b>255,472</b>	<b>9,735</b>	<b>(1,250)</b>		<b>7,523</b>	<b>271,480</b>

At 31 March 2021	Total as at 1 April 2020				Gains & (losses) £	Total as at 31 March 2021 £
	Income £	Expenditure £				
<b>Endowment funds :</b>						
Permanent / Expendable	136,831	-	-		33,643	170,474
Unrestricted funds	77,033	8,005	(40)		-	84,998
<b>Total funds</b>	<b>213,864</b>	<b>8,005</b>	<b>(40)</b>		<b>33,643</b>	<b>255,472</b>

### 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](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.

<b>Related party</b>	<b>Connected party</b>	<b>Detail of transaction</b>		
		<b>2021/22</b>	<b>2020/21</b>	<b>£</b>
Charities Pool	The City of London Corporation is the Trustee for the charity	<b>9,735</b>	<b>7,030</b>	Distribution from (-) the Charities Pool
	The City of London Corporation is the Trustee for the charity	<b>1,250</b>	<b>(-)</b>	- Management and (-) administration fees
City of London Corporation				

## 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](mailto:PA-ChamberlainSecretariat@cityoflondon.gov.uk)