

The City of London Charities Pool

Annual Report and Financial Statements for the year  
ended 31 March 2024

Charity registration number 1021138

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# **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 for support provided to the Charity 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 2023/24 was the Finance Committee which has delegated its authority to the Financial Investment Board (one of its sub-committees). The Financial Investment Board has now been disbanded, with its functions transferred to the new Investment Committee which was established on 19 May 2023. The Investment Committee 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. Committee 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. Details of the membership of Committees 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. Following a comprehensive governance review, during which reference was made throughout to the good practices recommended in the Charity Governance Code, some governance and administration are being implemented, ensuring that the charity is compliant with regulations and efficient and effective in maximising 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 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 2024 (31 March 2023: £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 27.

## **ACHIEVEMENTS AND PERFORMANCE**

Over the course of 2023/24 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +14.18% which was above the FTSE All Share Index benchmark return of +8.43% (2022/23: the investment strategy gained +2.22% versus +2.92% from the benchmark). Over the longer term three and five year horizon, the Charities Pool continues to outperform the FTSE All Share Index as shown in the table below. The Charities Pool invests in the Artemis Income (Exclusions) Fund, which is an unconstrained, multi-cap strategy that aims to generate a rising income stream combined with long-term capital growth.

With effect from 22 July 2022, the Charities Pool transferred its investments from the Artemis Income Fund to the Artemis Income (Exclusions) Fund, which is an unconstrained, multi-cap strategy that aims to generate a rising income stream combined with long-term capital growth. The Fund invests in UK equities and can also hold international equities and bonds. Shares in companies that derive more than 20% of their revenues from tobacco, gambling, weapons and fossil fuels are excluded.

The charity distributed a total of £738,059 to unitholders during the year (2022/23: £888,811) which is used by the participating charities to meet their objectives.

## **PLANS FOR FUTURE PERIODS**

While financial markets experienced positive growth in 2023/24, ongoing volatility and rising market interest rates continued to affect the value of the charity's investments. Looking ahead to 2024/25, whilst inflationary pressures remain a concern as these moderate, and economic growth begins to normalise, there are prospects for continued growth in global stock markets. These factors impact 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 investments as at 31 March 2024 increased in value to £24,216,968 (2022/23: £22,195,028). 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 2023/24 the charity's total income for the year was £1,352,651, an overall increase of £337,186 against the previous year of £1,015,465 (2022/23: decrease of £487,218). This was principally due to 53,877 new unit subscriptions in 2023/24 compared to 2022/23.

Income comprised £871,922 from investments (2022/23: £1,015,465), being £873,841 from managed investments (2022/23: £1,013,607) and £1,919 interest payable (2022/23: £1,858 interest receivable). New unit subscriptions to the fund totalled £480,729, (2022/23: Nil). Further information on new subscriptions is stated in Note 12 and Note 17.

### Expenditure

Total expenditure for the year was £1,505,968 (2022/23: £1,226,895), with charitable activities expenditure in the year totalling £1,373,067 (2022/23: £1,100,240). Distributions for the year, paid out to unitholders in September and March of each year, totalled 30.07 pence/unit (2022/23: 35.81 pence/unit), amounting to £738,059 (2022/23: £888,811). During the year, 2 unitholders took a decision to redeem units totalling £635,008 (2022/23: 2 unitholders, £211,429). Further details on redemptions are reported in Note 12 and Note 17.

Expenditure on raising funds for the year was £132,901 (2022/23: £126,655). This consists of managed investment expenses payable on the fund in the year of £115,884 (2022/23: £112,322). 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 2023/24 also includes audit fees £6,930 (2022/23: £5,500) and administration fees £9,309 (2022/23: £8,742).

## Funds held

The charity's total funds held on behalf of unitholders increased by £2,022,902 or 9.05% to £24,372,772 as at 31 March 2024 (2022/23: decreased to £22,349,870). This increase is mainly the result of a gain on investments of £2,176,218 (2022/23: loss of £532,734) as well as a redemption of units of £635,008 (2022/23: £211,429). There were also subscriptions for new units of £480,729 during the year (2022/23: Nil).

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. Investments held in the Charities Pool performed above the average benchmark level, generating a gross return of +14.18% for 2023/24 (2022/23: +2.22%) compared with the FTSE All Share Index benchmark return of +8.43% (2022/23: +2.92%). Over the longer-term performance of the Charities Pool investments, as displayed in the table below, has been above benchmark.

Fund	31 March 2024		31 March 2023	
	3 year	5 year	3 year	5 year
Fund	+9.03%	+7.62%	+14.06%	+5.64%
FTSE All Share	+8.05%	+5.44%	+13.81%	+5.04%
<b>Fund Outperformance</b>	<b>+0.98%</b>	<b>+2.18%</b>	<b>+0.26%</b>	<b>+0.61%</b>

Details of the funds held, including their purpose, is set out within Note 14 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 14).

## 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 economic volatility which is also mentioned under "Plans for Future Periods" (page 4).



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

<b>Risk</b>	<b>Actions to manage risks</b>
Decline in income	<ul style="list-style-type: none"> <li>• Implementing strict controls.</li> <li>• The charity's funds are invested by a professional fund manager.</li> <li>• The Investment Committee regularly monitors the performance of this fund manager.</li> <li>• A large number of unitholders exit the pool.</li> </ul>
Where the Trustee has a conflict of interest	<ul style="list-style-type: none"> <li>• Those concerned having a specific understanding of trust law.</li> <li>• Adopting the protocol for disclosing any potential conflict.</li> </ul>
Losing directly employed staff and/or the support staff	<ul style="list-style-type: none"> <li>• Documenting systems, plans and projects</li> <li>• Having any necessary training programmes</li> </ul>

## 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  
Committee  
The City of London Corporation  
Guildhall, London

Randall Keith Anderson, Deputy  
Deputy Chairman of Finance  
of the City of London Corporation

XX October 2024

# **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON CHARITIES POOL**

**31/03/2023**

## **Opinion**

We have audited the financial statements of The City of London Charities Pool ('the charity') for the year ended 31 March 2023 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 2023 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 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 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 Trustee**

As explained more fully in the Trustee's responsibilities statement set out on page 8, 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 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 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 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 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](http://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 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, 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 Trustee, 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 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.

[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 2024

		Unrestricted Funds	
	Notes	2023/24 Total Funds £	2022/23 Total Funds £
<b>Income from:</b>			
Charitable activities	2	480,729	-
Investments	3	871,922	1,015,465
<b>Total income</b>		<b>1,352,651</b>	<b>1,015,465</b>
<b>Expenditure on:</b>			
Raising funds	5	132,901	126,655
Charitable activities	6	1,373,066	1,100,240
<b>Total expenditure</b>		<b>1,505,967</b>	<b>1,226,895</b>
Net gains/(losses) on investments	9	2,176,218	(532,734)
<b>Net movement in funds</b>		<b>2,022,902</b>	<b>(744,164)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	14	22,349,870	23,094,034
<b>Total funds carried forward</b>	<b>14</b>	<b>24,372,772</b>	<b>22,349,870</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 16 to 26 form part of these financial statements.

# BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 Total £	2023 Total £
<b>Fixed assets:</b>			
Investments	9	23,932,342	21,756,589
<b>Current assets</b>			
Debtors	10	205,169	525,425
Investments	9	284,626	438,439
<b>Total current assets</b>		<b>489,795</b>	963,864
<b>Creditors: Amounts falling due within one year</b>			
Creditors	11	(49,365)	(370,583)
<b>Total Creditors: Amounts falling due within one year</b>		<b>(49,365)</b>	(370,583)
<b>Net current assets/(liabilities)</b>		<b>440,430</b>	593,281
<b>Total assets less current liabilities</b>		<b>24,372,772</b>	22,349,870
<b>The funds of the charity:</b>			
<b>Unitholders' funds</b>	14	<b>24,372,772</b>	22,349,870

The notes on pages 16 to 26 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty

XX October 2024



# CASHFLOW STATEMENT

AS AT 31 MARCH 2024

	Notes	2023/24 Total £	2022/23 Total £
<b>Cash flows from operating activities:</b>			
Net cash (used in) operating activities	14	(547,323)	(1,314,313)
<hr/>			
Cash flows from investing activities:			
Interest and income from investments		871,922	1,015,465
Proceeds from sale of investments		3,846,417	8,668,739
Purchase of investments		(3,845,951)	(8,354,286)
<b>Net cash provided by/(used in) investing activities</b>		<b>872,388</b>	<b>1,329,918</b>
<hr/>			
<b>Cash flows from financing activities:</b>			
Net (Payment)/Receipt from sale/purchase of new units		(154,279)	(211,429)
<b>Net cash used in/(provided by) financing activities</b>		<b>(154,279)</b>	<b>(211,429)</b>
<hr/>			
<b>(Decrease)/Increase in cash in the year</b>		<b>170,786</b>	<b>(195,824)</b>
<hr/>			
<b>Change in cash and cash equivalents in the reporting period</b>		<b>170,786</b>	<b>(195,824)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>94,952</b>	<b>290,776</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>265,738</b>	<b>94,952</b>

# 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 accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

### (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 current economic volatility 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 judgements or estimates made in the preparation of the financial statements.

**(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 2023/24	Total 2022/23
	£	£
New units subscriptions	480,729	-
	No.	No.
New units purchased	53,877	-

## 3. INCOME FROM INVESTMENTS

	Total 2023/24	Total 2022/23
	£	£
Income from Investments held	873,841	1,013,607
Interest receivable	- 1,919	1,858
	<b>871,922</b>	<b>1,015,465</b>

## 4. EXPENDITURE ON RAISING FUNDS

	Direct Costs	Support Costs	Total 2023/24 £	Total 2022/23 £
Investment management fees	115,884	16,959	132,843	126,591
Fair Value	58	-	58	64
<b>Total</b>	<b>115,942</b>	<b>16,959</b>	<b>132,901</b>	<b>126,655</b>

## 5. SUPPORT COSTS

	Support Costs £	Total 2023/24 £	Total 2022/23 £
Audit Fees	6,930	6,930	5,500
Internal Legal Fees	720	720	27
Administration Fees	9,309	9,309	8,742
<b>Total</b>	<b>16,959</b>	<b>16,959</b>	<b>14,269</b>

## 6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Total 2023/24 £	Total 2022/23 £
Distributions to unitholders	738,058	888,811
Redemptions - disposal of units	635,008	211,429
	<b>1,373,066</b>	<b>1,100,240</b>
Distributions - pence/unit	30.07	35.81
Redemptions - number of units	71,056	25,350

## 7. AUDITOR'S REMUNERATION

Crowe U.K. 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. In 2022/23 an audit fee of £6,930 was recharged (2022/23: £5,500). No other services were provided to the charity by its auditors during the year (2022/23: £Nil).

## 8. 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 2023/24 (2022/23: £Nil).

## 9. INVESTMENTS

Analysis of movement in investments:

	2024 £	2023 £
Market value 1 April	21,756,590	22,603,776
Additions	3,845,951	8,557,347
Disposals	(3,846,417)	(8,871,800)
Gain/(Loss) for the year	2,176,218	(532,734)
<b>Market value 31 March</b>	<b>23,932,342</b>	21,756,589
<b>Cash held by Fund Manager</b>	<b>284,626</b>	438,439
Total investments at 31 March	<b>24,216,968</b>	22,195,028
Historic cost 31 March	20,838,718	20,903,135

Total investments as at 31 March are split as follows:

Market value	<b>2024</b>	2023
	£	£
Long-term	23,932,342	21,756,589
Short-term	284,626	438,439
	<b>24,216,968</b>	<b>22,195,028</b>

The geographical spread of investments at 31 March was as follows:

	Held in the UK	Held outside the UK	<b>Total at 31 March 2024</b>
	£	£	£
Equities	20,376,230	2,652,809	<b>23,029,039</b>
Pooled Units	903,303	-	<b>903,303</b>
Cash held by Fund Manager	284,626	-	<b>284,626</b>
<b>Total</b>	<b>21,564,159</b>	<b>2,652,809</b>	<b>24,216,968</b>

	Held in the UK	Held outside the UK	Total at 31 March 2023
	£	£	£
Equities	18,010,057	3,019,287	21,029,344
Pooled Units	727,245	-	727,245
Cash held by Fund Manager	438,439	-	438,439
<b>Total</b>	<b>19,175,741</b>	<b>3,019,287</b>	<b>22,195,028</b>

## 10. DEBTORS

	<b>2024</b>	2023
	£	£
Accrued income	<b>205,169</b>	520,328
Recoverable VAT	-	5,097
	<b>205,169</b>	<b>525,425</b>

Accrued income represents those dividends confirmed as receivable prior to 31 March each year but not received as at that date.

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Other creditors	30,477	27,096
Bank Overdraft	18,888	343,487
	<b>49,365</b>	<b>370,583</b>

## 12. MOVEMENT IN UNIT-HOLDERS FUNDS DURING THE YEAR

	2024		2023	
	Units	£	Units	£
Funds Subscribed				
Balance at 1 April	2,468,114	12,040,265	2,493,464	12,238,578
Redemptions during the year	(71,056)	(455,097)	(25,350)	(198,313)
Subscriptions during the year	53,877	480,729	-	-
<b>Invested units at cost</b>	<b>2,450,935</b>	<b>12,065,897</b>	2,468,114	12,040,265

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.

## 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

At 31 March 2024	Unrestricted Income Funds	
General Fund	Total at 31 March 2024	Total at 31 March 2023
	£	£
Fixed assets - investments	23,932,342	21,756,589
Current Assets	489,795	963,864
Current Liabilities	(49,365)	(370,583)
<b>Total</b>	<b>24,372,772</b>	<b>22,349,870</b>

## 14. MOVEMENT IN FUNDS

<b>At 31 March 2024</b>	Total as at 1 April 2023 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	<b>Total as at 31 March 2024 £</b>
General Funds:						
Accumulated fund	12,838,316	-	-	2,176,218	-	<b>15,014,534</b>
Undistributed income	9,857	963	-	-	-	<b>10,820</b>
Invested units at cost	12,040,264	480,729	(455,097)	-	-	<b>12,065,896</b>
Profit distributed on redemptions	(2,538,567)	-	(179,911)	-	-	<b>(2,718,478)</b>
<b>Total Unit holder Funds</b>	<b>22,349,870</b>	<b>481,692</b>	<b>(635,008)</b>	<b>2,176,218</b>	<b>-</b>	<b>24,372,772</b>

<b>At 31 March 2023</b>	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	<b>Total as at 31 March 2023 £</b>
General Funds:						
Accumulated fund	13,371,050	-	-	(532,734)	-	12,838,316
Undistributed income	9,858	-	(1)	-	-	9,857
Invested units at cost	12,238,577	-	(198,313)	-	-	12,040,264
Profit distributed on redemptions	(2,525,451)	-	(13,116)	-	-	(2,538,567)
<b>Total Unit holder Funds</b>	<b>23,094,034</b>	<b>-</b>	<b>(211,430)</b>	<b>(532,734)</b>	<b>-</b>	<b>22,349,870</b>

### 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 2024 is £9.944 (2023: £9.055). This is calculated by dividing the total value of unit-holders funds as stated above by the total number of units invested (see Note 12).



## 15. NOTE TO THE STATEMENT OF CASH FLOWS

Reconciliation of net income/(expenditure) to net cash flow from operating activities.

	2023/24	2022/23
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	2,022,902	(744,164)
Adjustments for:		
Interest and income from investments	(871,922)	(1,015,465)
(Gains)/Losses on investments	(2,176,218)	532,734
Net (new subscriptions)/redemptions	154,279	211,429
Decrease/(Increase) in debtors	320,256	(297,187)
(Decrease)/Increase in Creditors	3,381	(1,660)
<b>Net cash (used in) operating activities</b>	<b>(547,323)</b>	<b>(1,314,313)</b>

## 16. 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](http://www.cityoflondon.gov.uk).

Related Party	Connected Party	2023/24	2022/3	Detail of transaction
		£	£	
City of London Corporation	The City of London Corporation is the Trustee for the charity	9,309	8,742	Administration costs charged by the City of London

## 17. 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	2024
	£
Unit-holder funds (per summary of underlying charities)	24,372,098
Other Adjustments	674
<b>Total of unit-holder funds</b>	<b>24,372,772</b>

## CITY OF LONDON CHARITIES POOL DISTRIBUTION AND MARKET VALUE STATEMENT 2023-24

<u>Class or Subscriber</u>	<u>Commission No.</u>	<u>No. of Units at 31st March 2024</u>	<u>Net Amount Subscribed</u>	<u>Market Value (Bid price) 31st March 2023</u>	<u>Market Value (Bid price) 30th September 2023</u>	<u>Market Value (Bid price) 31st March 2024</u>	<u>Distributed 2023/24 1/2 year to Sep 23</u>	<u>Distributed 2023/24 1/2 year to Mar 24</u>
(Per Unit Values)				£9.055	£8.915	£9.944	19.171 p	10.895 p
<u>Education</u>								
<u>City of London School</u>								
Bursary and Awards Funds	276654	416,870	£2,297,194.57	£3,774,757.85	£3,716,377.70	£4,145,355.28	£79,916.32	£45,417.16
<u>City of London School for Girls</u>								
Scholarships and Prizes	276251-5	20,988	£144,722.47	£88,557.90	£87,188.27	£208,704.67	£1,874.88	£2,286.60
Bursary Funds	276251	498,501	£2,685,161.11	£4,127,558.76	£4,063,722.21	£4,957,093.94	£87,385.53	£54,310.70
<u>City of London Freeman's School</u>								
Charities Administered (In Connection With)	312120	24,140	£82,620.93	£218,587.70	£215,207.04	£240,048.16	£4,627.77	£2,630.01
Bursary Fund	284769	149,423	£1,080,215.26	£1,353,025.27	£1,332,099.47	£1,485,862.31	£28,645.22	£16,279.34
<b>Sub-Total Education</b>		<b>1,109,922</b>	<b>£6,289,914.34</b>	<b>£9,562,487.48</b>	<b>£9,414,594.69</b>	<b>£11,037,064.36</b>	<b>£202,449.72</b>	<b>£120,923.81</b>

<u>Class or Subscriber</u>	<u>Commission No.</u>	<u>No. of Units at 31st March 2024</u>	<u>Net Amount Subscribed</u>	<u>Market Value (Bid price) 31st March 2023</u>	<u>Market Value (Bid price) 30th September 2023</u>	<u>Market Value (Bid price) 31st March 2024</u>	<u>Distributed 2023/24 1/2 year to Sep 23</u>	<u>Distributed 2023/24 1/2 year to Mar 24</u>
(Per Unit Values)				£9.055	£8.915	£9.944	19.171 p	10.895 p
<u>City's Cash General</u>								
Highgate Wood & Queen's Park Kilburn	232986	18,728	£18,728.00	£169,582.04	£166,959.30	£186,231.23	£3,590.26	£2,040.38
<u>Epping Forest</u>								
Epping Forest	232990	438	£438.00	£3,966.09	£3,904.75	£4,355.47	£83.97	£47.72
<u>Miscellaneous Trusts</u>								
City Educational Trust Fund	290840	423,949	£442,314.60	£3,838,858.20	£3,779,486.68	£4,215,748.86	£81,273.38	£46,188.40
Guildhall Library Centenary Fund	206950	0	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Samuel Wilson's Loan Charity	206964	237,197	£1,001,654.65	£2,435,731.62	£2,299,603.98	£2,358,686.97	£49,450.26	£25,842.14
City of London Almshouses Trust	1005857	86,077	£417,370.50	£779,427.24	£767,372.67	£855,949.69	£16,501.44	£9,377.92
The CoL Combined Education Charity	312836	126,861	£650,382.18	£1,148,726.36	£1,130,960.23	£1,261,505.78	£24,319.96	£13,821.25
Sir Thomas Gresham Charities	221982	74	£365.56	£670.07	£659.71	£735.86	£14.19	£8.06
Hampstead Heath Trust	803392-1	65,359	£317,644.74	£591,825.75	£582,672.61	£649,929.90	£12,529.68	£7,120.73
City of London Archeological Trust	268160	46,298	£278,338.71	£419,228.39	£412,744.63	£460,387.31	£8,875.58	£5,044.08
The CoL Combined Relief of Poverty Charity	1073660	46,832	£320,940.83	£424,063.76	£417,505.22	£465,697.41	£8,977.95	£5,102.25
Partnership for Young London	1062226	10,638	£74,997.97	£96,327.09	£94,837.30	£105,784.27	£2,039.36	£1,158.99
Vickers Dunfee Memorial Benevolent Fund	238878	19,280	£133,996.00	£174,580.40	£171,880.35	£191,720.32	£3,696.08	£2,100.52
Emanuel Hospital	206952	259,282	£2,118,810.13	£2,703,297.81	£2,661,488.79	£2,578,300.21	£57,232.16	£28,248.26
Sub-Total		1,341,013	£5,775,981.87	£12,786,284.82	£12,490,076.22	£13,335,033.28	£268,584.27	£146,100.70
Total as at 31 March 2024		2,450,935	£12,065,896.21	£22,348,772.30	£21,904,670.91	£24,372,097.64	£471,033.99	£267,024.51

<u>Class or Subscriber</u>	<u>Commission No.</u>	<u>No. of Units</u> <u>at 31st March 2023</u>	<u>Net Amount</u> <u>Subscribed</u>	
Total as at 31st March 2023		2,468,114	£12,040,264.55	<u>£22,348,772.30</u>

<u>Class or Subscriber</u>	<u>Commission No.</u>	<u>No. of Units</u> <u>at 31st March 2024</u>	<u>Market Value</u> <u>31st March</u> <u>2023</u>	<u>Market Value</u> <u>of Units</u> <u>30th</u> <u>September</u> <u>2023</u>	<u>Market Value</u> <u>31st March</u> <u>2024</u>
Mid-Market Price			£9.057	£8.919	£9.947
Purchase Price			£9.061	£8.923	£9.954
Selling Price			£9.055	£8.915	£9.944
<u>1st April 2023 Purchases</u>					
Nil					
<u>1st April 2023 Sales</u>					
Samuel Wilson's Loan Charity	206964	-11,044	-£46,637.50		-£100,003.42
Balances as at 30 September 2023		2,457,070	£11,993,627.05		<u>£21,904,670.91</u>
<u>1st October 2023 Purchases:</u>					
The City of London School for Girls Bursary Ft	206952	42,669	£380,722.98		£380,722.98
CLGS Prize fund	276251-5	11,208	£100,005.70		£100,005.70
<u>1st October 2023 Sales:</u>					
Samuel Wilson's Loan Charity	206964	-20,752	-£87,633.22		-£185,003.17
Emmanuel Hospital	206952	-39,260	-£320,826.30		-£350,001.17
Balances as at 31st March 2024		2,450,935	12,065,896.21		<u>24,372,097.64</u>

## **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**

Ian Thomas - 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

**AUDITORS:**

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

**BANKERS:**

Lloyds Bank Plc., P.O. Box 1000, BX1 1LT

**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:

[CHBOffice-BusinessSupport@cityoflondon.gov.uk](mailto:CHBOffice-BusinessSupport@cityoflondon.gov.uk)