

The City of London Almshouses

Annual Report and Financial Statements for the year
ended 31 March 2023

Charity registration number 1005857

The Register of Social Housing Providers

Number A2266

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ORIGINS OF THE CHARITY

The City of London Almshouses was registered with the Charity Commission in July 1991, under the name 'City of London Almshouses Trust', under a scheme which amalgamated the following three charities:

Charity name	History
City of London Freemen's Houses	Regulated by a conveyance dated 1 January 1848 and comprised in a Scheme of the Charity Commissioners of the 19 August 1975
Roger's Almshouses	Comprised in a declaration of trust dated 15 July 1858
Brown's Gift	Regulated by declaration of trust dated 22 March 1934

TRUSTEE'S ANNUAL REPORT

STRUCTURE AND GOVERNANCE

GOVERNING DOCUMENTS

The City of London Almshouses is a registered charity and also a registered social landlord, under Section 1 (2) of the Housing Act 1996. It was registered with the Charity Commission in July 1991, under a scheme which amalgamated:

- City of London Freemen's Houses
- Rogers' Almshouses
- Brown's Gift

The Charity Commission agreed with effect from 26 July 2011 for the City of London Corporation to become the sole corporate Trustee in place of various individuals.

GOVERNANCE ARRANGEMENTS

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

Members of the Court of Common Council are unpaid for support provided to the Charity 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 2022/23 was as follows:

The Housing Management and Almshouses Sub (Community and Children's Services) Committee of the City Corporation administers the charity on behalf of the Trustee.

The above committee is ultimately responsible to the Court of Common Council of the City of London. Matters relating to the charity are considered at committee meetings at the Trustee's discretion in public (except where it is not considered in the charity's best interest to do so), supporting a decision-making process that is clear, transparent and publicly accountable.

The Trustee believes that good governance is fundamental to the success of the charity. A comprehensive review of governance has been undertaken and implementation of recommendations is in progress to ensure that the charity is effective in fulfilling its objectives. Reference was made to the good practices recommended within the Charity Governance Code throughout this review, with a focus on ensuring regulatory compliance and the ongoing maintenance of an efficient and effective portfolio of charities that maximise impact for beneficiaries. The Almshouses comply with the Charity Governance Code and the Governance and Viability Standard as set out by the Regulator of Social Housing.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the provision of Almshouses for poor or aged persons, giving preference to freemen of the City of London, their wives, widows, sons, and daughters and where practicable to married couples.

Throughout the year the Almshouse Manager actively sought new applications, reporting to Trustees on applicants who may not quite meet the criteria (for instance within a year of the age requirement) making recommendations on applicants' behalf when they filled all other criteria.

Investment Policy

The charity's investments are held in units of the City of London Charities Pool (registered charity 1021138). The investment policy is to provide a real increase in annual income in the long term whilst preserving the value of the capital base. The annual report and financial statements of the Charities Pool (which include an analysis of investment performance against objectives set) are available from the Chamberlain of London, at the email address stated on page 27.

Public benefit statement

The Trustee confirms that it has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The City of London Almshouses' aims and objectives and in planning future activities. The purpose of the charity is as stated above.

Consequently, the Trustee considers that The City of London Almshouses operates to benefit the general public and satisfies the public benefit test.

Remuneration Policy

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

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

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

The Equality, Diversity, and Inclusion (EDI) sub-committee is currently overseeing the update of our four-yearly Equality Objectives in accordance with the Equality Act 2010.

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

ACHIEVEMENTS AND PERFORMANCE

In 2022/23 all social activities have resumed at the Almshouses. The Scheme Manager continues to manage and support residents across the Almshouses. There have been some challenges at the Almshouses with the increase of non-residents loitering on the estate. Installation of CCTV has been approved and will be installed at the Almshouses to address this issue. Damp and mould surveys have been carried out across the Almshouses and remedial works are being carried out.

PLANS FOR FUTURE PERIODS

The objectives for 2023/24 are:

- Continue the provision of almshouses for poor or aged persons, giving preference to Freemen of the City of London, their wives, widows, sons and daughters and where practicable to married couples.
- Significant work to refurbish the internal and external fabric of the housing properties was delayed due to pandemic restrictions. Internal works and some external works have been completed. Further external works are planned.

Following recommendations and advice arising from the charity review, revised Almshouses policies and procedures are being implemented

- CCTV will be installed across the Estate.

FINANCIAL REVIEW

Overview of Financial Performance

Income

In 2022/23 the charity total income for the year was £326,341, an overall increase of £308 against the previous year (2021/22: £326,033).

Income from charitable activities totalled £288,762 (2020/21: £281,179), comprising rental and service charge income.

Income from investments comprised £37,579 (2021/22: £44,854), being £30,824 from managed investments (2021/22: £41,533) and £6,755 from bank interest (2021/22: £3,321).

Expenditure

Total expenditure for the year was £348,576 (2021/22: £222,668). Within this, charitable activities expenditure totalled £348,576 (2021/22: £222,600). The key costs are Management, Services and Routine & Planned maintenance. Expenditure on raising funds was £0 (2021/22: £68), covering the costs of interest expenses.

Investment performance

Over the course of 2022/23 the Charities Pool investment strategy delivered an absolute return (gross of fees) of +2.22% which was below the FTSE All Share Index benchmark return of +2.92% (2021/22: the investment strategy gained +11.1% versus +13.0% from the benchmark). However, over the longer-term three and five year horizon, performance of the Charities Pool investments, as displayed in the table below, was above benchmark. 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.

	2022/23		2021/22	
	3 year	5 year	3 year	5 year
Fund	+14.06%	5.64%	7.3%	6.2%
FTSE All Share	+13.81%	5.04%	5.3%	4.7%
Fund outperformance	+0.26%	+0.61%	+2.0%	+1.5%

Funds held

The charity's total funds held decreased by £40,495 to £3,201,390 as at 31 March 2023 (2021/22: £3,241,885). Within the total funds held, £37,648 (2021/22: £37,648) represent permanent endowment funds which are held as a capital fund to generate income for the primary objectives of the charity. Restricted income funds amounted to £1,319,751 (2021/22: £1,319,751) being social housing grants which are repayable under certain circumstances, primarily following the sale of a property.

Unrestricted income funds amounted to £1,843,991 (2021/22: £1,884,486). These funds are held for use in future years in accordance with the objectives of the charity.

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

Reserves

The Reserves Policy is to maintain the endowment funds of the charity in investments in the Charities Pool administered by the City of London Corporation and use the investment income together with other funds, in accordance with the objectives of the charity.

The free reserves of the charity are held to cover working capital needs. The Trustee has revised its policy in 2020/21 to meet future working capital needs. The Trustee believes that a minimum amount of £2,800 should be held at present, which will be subject to annual review. Actual free reserves (unrestricted funds not designated or tied up in fixed assets) were £992k, well above the minimum amount, and the use of these reserves will be factored into the plans for future periods, including those set out on page 4.

Principal Risks and Uncertainties

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

Value for Money

The City of London Almshouses Charity assesses how it is achieving value for money in delivering its purpose and objectives, in accordance with the Regulator's standard on Value for Money. This means managing resources economically, efficiently and effectively to provide quality services and homes.

The City of London Almshouses Charity is a small provider for the purposes of Value for Money Metrics. Disclosures are as follows.

Metric	2023	2022	2021
Reinvestment %	2.1%	0	0

New supply delivered	0	0	0
Gearing	N/A	N/A	N/A
EBITDA MRI Interest Cover	N/A	N/A	N/A
Headline social housing cost per unit	8,299	5,300	6,425
Operating margin	- 0.21	0.21	0.14
Return on Capital Employed	- 0.02	0.02	0.01

The City of London Almshouses” does not have any debt and as such the VFM indicators in respect of gearing and EBITDA MRI are not applicable.

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 Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of social housing in England 2022. 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.

Statement of Compliance

The Association’s governance arrangements comply with governance good practice and regulatory standards. The Association has adopted and is working towards full compliance with the NHF Code of Governance 2015. The Association complies with the Regulator of Social Housing (RSH) Governance and Financial Viability Standard.

TRUSTEE RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently.
- make judgements and accounting estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

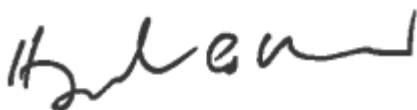
The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable the Trustee to ensure that the financial statements comply with the Charities Act 2011. The Trustee is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware:

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

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

Adopted and signed for on behalf of the Trustee.



Henry Nicholas Almroth Colthurst, Deputy

Chairman of Finance Committee of
The City of London Corporation,
Guildhall, London

15th February 2024



Randall Keith Anderson, Deputy

Deputy Chairman of Finance
Committee of The City of London
Corporation, Guildhall, London

15th February 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE CITY OF LONDON ALMSHOUSES

Opinion

We have audited the financial statements of The City of London School Almshouses ('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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers- of social housing in England 2022.

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.

In addition, we have nothing to report in respect of the following matter where the Housing and Regeneration Act 2008 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained.

Responsibilities of Trustee

As explained more fully in the Trustee's responsibilities statement set out on pages 7 and 8, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee 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. 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, the Housing and Regeneration Act 2008 and the Accounting Direction for private registered providers of Social Housing 2022. 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 and section 137 of the Housing and Regeneration Act 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.



Vincent Marke, FCA

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

19.02.2024

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 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022/23 Total Funds £	2021/22 Total Funds £
Income from:						
Charitable activities	2	288,762	-	-	288,762	281,179
Investments	3	37,579	-	-	37,579	44,854
Total income		326,341	-	-	326,341	326,033
Expenditure on:						
Raising funds	4	-	-	-	-	68
Charitable activities	5	348,576	-	-	348,576	222,600
Total expenditure		348,576	-	-	348,576	222,668
Net gains/(losses) on investments	11	(18,032)	-	-	(18,032)	36,326
Net gains/(losses) on short term deposit		(228)	-	-	(228)	(4,711)
Net movement in investment		(18,260)	-	-	(18,260)	31,615
Net income/(expenditure) and net movement in funds		(40,495)	-	-	(40,495)	134,980
Reconciliation of funds:						
Total funds brought forward	16	1,884,486	1,319,751	37,648	3,241,885	3,106,905
Total funds carried forward	16	1,843,991	1,319,751	37,648	3,201,390	3,241,885

All of the above results are derived from continuing activities.

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

The notes on pages 15 to 26 form part of these financial statements.

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 Total £	Restated 2022 Total £
Fixed assets:			
Tangible assets	10	2,265,423	2,233,655
Investments	11	779,427	797,459
Total fixed assets		3,044,850	3,031,114
Current assets			
Debtors	12	25,682	11,187
Cash at bank and in hand		405,860	711,934
Total current assets		431,542	723,121
Creditors: Amounts falling due within one year	13	(135,977)	(371,862)
Net current assets		295,565	351,259
Total assets less current liabilities		3,340,415	3,382,373
Creditors: Amounts falling due after more than one year	14	(139,025)	(140,488)
Total net assets		3,201,390	3,241,885
The funds of the charity:			
Endowment funds	16	37,648	37,648
Restricted funds	16	1,319,751	1,319,751
Unrestricted funds	16	1,843,991	1,884,486
Total funds		3,201,390	3,241,885

The notes on pages 15 to 26 form part of these financial statements

Approved and signed on behalf of the Trustee.

Caroline Al-Beyerty
Chamberlain of London and Chief Financial Officer

15th February 2024

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 have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP), including Financial Reporting Standard 102 (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), the Accounting Direction for private registered providers of social housing in England 2022, the Housing and Regeneration Act and the Charities Act 2011.

The financial statements of the charity, which is a public benefit entity under FRS102, have been prepared on the going concern basis and in accordance with the historical cost convention, as modified by the valuation of investments which are held at fair value.

(b) Going concern

The financial statements have been prepared on a going concern basis as the Trustee considers that there are no material uncertainties about the charity's ability to continue as a going concern. The majority of the charity's income is from rents from the properties and the Trustee is active in ensuring that these are fully let by advertising and maintaining a waiting list. A long-term financial plan has been agreed to ensure that funds are available as major works arise. The latest forecast anticipates that adequate funds will be available in the next 12 months from the date of signing these accounts to enable the charity to continue to fulfil its obligations.

(c) Key management judgements and assumptions

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Management do not consider there to be any significant management judgements and estimates made in the preparation of the financial statements.

(d) Statement of Cash Flows

As per Section 14.1 of the Charities SORP the Charity is not required to produce a statement of cash flows on the grounds that it is a small entity.

(e) Income

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

(f) Expenditure

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

Support costs include activities undertaken by the City Corporation on behalf of the charity, such as human resources, digital services, legal support, accounting services, committee administration, public relations and premises costs. The basis of the cost allocation is the employee time spent on the respective services. Officers of the City Corporation provide financial and governance administrative assistance to the charity when required. From 2021/22, the City Corporation, as Trustee, has taken a decision to seek reimbursement for the administration fees incurred from each of its charities.

The Trustee, the City Corporation, accounts centrally for all payroll related deductions. As a result, the charity accounts for all such sums due as having been paid.

(g) Taxation

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

(h) Investments

Investments are made in the City of London Charities Pool (charity number 1021138) which is an investment mechanism operating in a similar way to a unit trust. This enables the City of London Corporation to "pool" small charitable investments together and consequently obtain better returns than would be the case if investments were made individually.

Investments are valued at bid-price. Gains and losses for the year on investments held as fixed assets are included in the Statement of Financial Activities.

(i) Funds structure

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

Permanent endowment fund – this fund consists of funds which are held in perpetuity for the benefit of the charity as a result of conditions imposed by the original donors and trusts. Income generated from the cash held in this fund can be spent on the charitable purpose of the charity, hence is allocated to the unrestricted income fund.

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

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

(j) Pension Costs

Employees seconded from the City of London Corporation are entitled to be members of the City of London Corporation's Pension Scheme. These costs are included in the total salaries charged.

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

The Fund's estimated net liability has been determined by independent actuaries in accordance with FRS102 as £142.6m as at 31 March 2023 (£832.7m as at 31 March 2022). Since any net deficit is apportioned between the financial statements of the City of London's three main funds, the charity's Trustee does not anticipate that any of the liability will fall on the charity. The charity is unable to identify its share of the pension scheme assets and liabilities and therefore the Pension Fund is accounted for as a defined contribution scheme in these financial statements.

Barnett Waddingham, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 March 2022, using the projected unit method. The 31 March 2022 valuation was carried out in 2022/23 and has set the contribution rates for the period 01 April 2023 to 31 March 2026 at 21%. Contribution rates adopted for the financial years 2020/21, 2021/22 and 2022/23 had been set at 21%.

(k) Tangible fixed assets

The City of London Almshouses were erected in the mid-19th century. There is no record of the original cost and no value has therefore been attributed. The cost stated

for fixed assets for land and buildings relates to subsequent improvements and refurbishments. This excludes expenditure on routine and planned repairs and maintenance of fixed assets which is charged directly within the Trust's charitable activities.

Depreciation for improvements and refurbishments to buildings is charged on a straight-line basis, in order to write off each asset over its estimated useful life as follows:

	Years
Improvements and refurbishments to buildings	61

It is the Trust's policy to ensure that the dwellings are kept in a good standard of repair and that there are sufficient resources to meet this requirement.

(I) Insurance

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

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022/23 £	Unrestricted Funds 2021/22 £
Rental income	215,373	205,677
Service charges	71,926	74,039
Deferred income from Gresham Lease	1,463	1,463
Total	288,762	281,179

The void losses incurred in 2022/23 is £54,848.12.

3. INCOME FROM INVESTMENTS

	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Investment income	30,824	41,533
Interest	6,755	3,321
Total	37,579	44,854

4. EXPENDITURE ON RAISING FUNDS

	Unrestricted funds 2022/23 £	Unrestricted funds 2021/22 £
Raising funds	-	68
Total	-	68

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds			Unrestricted funds		
	Direct costs £	Support costs £	Total 2022/23 £	Direct costs £	Support costs £	Total 2021/22 £
Almshouses running costs						
Management	-	123,668	123,668	-	70,921	70,921
Services	118,210	-	118,210	92,441	-	92,441
Routine maintenance	65,271	-	65,271	40,806	-	40,806
Planned maintenance	20,145	-	20,145	11,773	-	11,773
Contributions to Funds and Provisions	3,482	-	3,482	(641)	-	(641)
Depreciation of housing properties	17,800	-	17,800	7,300	-	7,300
Total	224,908	123,668	348,576	151,679	70,921	222,600

Within charitable activities are the services costs, comprised of:

	2022/23 £	2021/22 £
Lighting	5,920	5,368
Matrons	53,860	51,256
Window Cleaning	471	(1,002)
Water Rates	(68)	275
Groundsman	25,471	19,460
Rent	6,858	6,916
Council Tax	24,618	9,503
Pest Control	1,080	665
Total	118,210	92,441

6. SUPPORT COSTS

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

	Charitable activities £	Governance £	2022/23 £	2021/22 £
Audit fees	-	5,500	5,500	1,750
Central support	12,000	-	12,000	12,000
Legal fees	17,003	-	17,003	7,830
Other Management costs	89,165	-	89,165	49,341
Sub-total	118,168	5,500	123,668	70,921
Reallocation of governance costs	5,500	(5,500)	-	-
Total	123,668	-	123,668	70,921

All support costs are undertaken from unrestricted funds and allocated based on the proportion relating to direct activities.

7. STAFF COSTS

All staff that work on behalf of the charity are employed by the City Corporation. The average number of people directly undertaking activities on behalf of the charity during the year was 2.07 (2021/22: 2.3).

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

	2022/23 £	2021/22 £
Salaries and wages	59,564	53,218
National Insurance costs	6,653	5,455
Employer's pension contributions	13,114	12,042
Total emoluments of employees	79,331	70,715

The charity considers its key management personnel to comprise the Members of the City of London Corporation, acting collectively for the City Corporation in its capacity as the Trustee. The number of directly charged employees whose emoluments (excluding employer's pension contribution) for the year were over £60,000 was nil (2021/22: nil). The charity does not have a Chief Executive.

8. AUDITOR'S REMUNERATION

Crowe U.K. LLP are the auditors of the City of London City's Cash Fund and provide assurance services to all of the different charities of which it is Trustee. In 2022/23 an

audit fee of £5,500 was recharged (2021/22 £1,750). No other services were provided to the charity by its auditors during the year (2021/22: £nil).

9. TRUSTEE EXPENSES

The Members of the City of London Corporation acting on behalf of the Trustee did not receive any remuneration or reimbursement of expenses during 2022/23 (2021/22: nil).

10. TANGIBLE FIXED ASSETS

	Land and Buildings £	Work in Progress £	Total £
Cost			
At 1 April 2022 as restated	2,407,005	-	2,407,005
Additions	49,568	-	49,568
At 31 March 2023	2,456,573	-	2,456,573
Depreciation			
At 1 April 2022	173,350	-	173,350
Charge for the year	17,800	-	17,800
At 31 March 2023	191,150	-	191,150
Net book value			
At 31 March 2023	2,265,423	-	2,265,423
At 31 March 2022	2,233,655	-	2,233,655

Prior Year Adjustment

During the year it was identified that £305k of capital works had not been accrued at the previous year end. It was also identified that a further £339k of works had been treated as WIP but should have been identified as works to existing properties in prior year. As a result, a prior year adjustment has been made, which has the effect of increasing both fixed assets and creditors balances brought forward by £305k, and a reclassification from WIP to Land & Buildings of £339k.

The number of units supported social housing accommodation under management at 31 March 2023 was 42. (2022: 42)

11. INVESTMENTS

The investments are held in the City of London Corporation Charities Pool, a charity registered in the UK with the Charity Commission (charity number 1021138). The Charities Pool is a UK registered unit trust.

The value of investments held by the charity are as follows:

	2023 £	2022 £
Market value 1 April	797,459	761,133
Gain/(loss) for the year	(18,032)	36,326
Market value 31 March	779,427	797,459
Cost 31 March	417,370	417,370
Units held in Charities Pool	86,077	86,077

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

	Total at 31 March 2023 £	Total at 31 March 2022 £
Equities	738,491	738,980
Pooled Units	25,539	46,819
Cash held by Fund Manager	15,397	11,660
Total	779,427	797,459

12. DEBTORS

	2023 £	2022 £
Other debtors	25,682	11,315

13. CREDITORS – AMOUNTS DUE WITHIN ONE YEAR

	2023 £	Restated 2022 £
Trade creditors	34,026	14,222
Deferred income	29,167	22,936
Accruals	72,784	334,704
Total	135,977	371,862

14. CREDITORS – AMOUNTS DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Deferred income	139,025	140,488
Total	139,025	140,488
	2022	2021
	£	£
Deferred income analysis within creditors:		
Balance at 1st April	140,488	141,951
Amounts released to income	(1,463)	(1,463)
Balance at 31 March	139,025	140,488

Deferred income: lease to Gresham Almshouses

The City of London Almshouses (CoLA) owns the site. An agreement was entered into with Gresham Almshouses operated by the Sir Thomas Gresham Charity (charity number 221982) dated 7 December 1994 for the lease of the site for the next 125 years for the sum of £180,000. The deferred income is recognised on a straight line basis to the end of the term in 2118/19, with the remaining value recorded as a long-term creditor.

15. ANALYSIS OF NET ASSETS BY FUND

At 31 March 2023

	Unrestricted funds				Total at 31 March 2023	Restated Total at 31 March 2022
	General funds	Designated funds	Restricted funds	Endowment funds		
	£	£	£	£	£	£
Tangible fixed assets	302,097	643,575	1,319,751	-	2,265,423	2,233,655
Fixed assets - investments	600,861	178,566	-	-	779,427	797,459
Current assets	393,894	-	-	37,648	431,542	723,121
Total liabilities	(275,002)	-	-	-	(275,002)	(512,350)
Total	1,021,850	822,141	1,319,751	37,648	3,201,390	3,241,885

At 31 March 2022

Restated

	Unrestricted funds				Total at 31 March 2022	Total at 31 March 2021
	General funds	Designated funds	Restricted funds	Endowment funds		
	£	£	£	£	£	£
Tangible fixed assets	270,329	643,575	1,319,751	-	2,233,655	1,764,496
Fixed assets - investments	616,044	181,415	-	-	797,459	761,133
Current assets	685,473	-	-	37,648	723,121	809,078
Total liabilities	(512,350)	-	-	-	(512,350)	(227,802)
Total	1,059,496	824,990	1,319,751	37,648	3,241,885	3,106,905

16. MOVEMENT IN FUNDS

At 31 March 2023	Total as at 1 April 2022 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Total as at 31 March 2023 £
Endowment funds:						
Permanent endowment	37,648	-	-	-	-	37,648
Restricted funds:						
Social Housing Grant	1,319,751	-	-	-	-	1,319,751
Unrestricted funds:						
General funds	1,059,496	326,341	(348,576)	(15,411)	-	1,021,850
Designated funds:						
Cyclical repairs	36,000	-	-	-	-	36,000
Capital reserves fund	643,575	-	-	-	-	643,575
Extraordinary repairs	145,415	-	-	(2,849)	-	142,566
Total unrestricted funds	1,884,486	326,341	(348,576)	(18,260)	-	1,843,991
Total funds	3,241,885	326,341	(348,576)	(18,260)	-	3,201,390

At 31 March 2022	Total as at 1 April 2021 £	Income £	Expenditure £	Gains & (losses) £	Transfers £	Restated Total as at 31 March 2022 £
Endowment funds:						
Permanent endowment	37,648	-	-	-	-	37,648
Restricted funds:						
Social Housing Grant	1,319,751	-	-	-	-	1,319,751
Unrestricted funds:						
General funds	1,406,715	326,033	(222,668)	25,875	(476,459)	1,059,496
Designated funds:						
Cyclical repairs	36,000	-	-	-	-	36,000
Capital reserves fund	167,116	-	-	-	476,459	643,575
Extraordinary repairs	139,675	-	-	5,740	-	145,415
Total unrestricted funds	1,749,506	326,033	(222,668)	31,615	-	1,884,486
Total funds	3,106,905	326,033	(222,668)	31,615	-	3,241,885

Purpose of endowment funds

The permanent endowment is held to generate income that is accounted for within the unrestricted funds. This original permanent endowment can only be used at the winding up of the Trust.

Purpose of the restricted funds

Social Housing Grant

Social Housing Grants are repayable under certain circumstances, primarily following the sale of a property.

Included in the movement in Funds Analysis above is £1,319,751 in respect of social housing grant. This represents the total cumulative government grant receivable all of which has been recognized through the Statement of Comprehensive Income.

Purpose of the unrestricted funds

The general fund comprises the accumulation of income surpluses as a result of unspent investment and other income. Any undistributed annual income is held for use in future years in accordance with the objectives of the Trust.

Purpose of the designated funds

Those unrestricted funds that have been set aside by the Trustee for specific purposes, as follows:

Cyclical repairs

Provision for future repainting, consists of yearly transfers from the revenue account based on the expected cost of repainting and transferred out to the revenue account in the year when cost arises.

Extraordinary repairs

To fund the future extraordinary repair, improvement or rebuilding of the Trust's property, consisting of yearly transfers based on income generated from investments alongside any increase or decrease in the market value of the investments representing this reserve.

17. RELATED PARTY TRANSACTIONS

The City Corporation acting by the Court of Aldermen is the sole Trustee of the charity, as described on page 2.

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

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

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

Related party	Connected party	2022/23 £	2021/22 £	Detail of transaction
City of London Corporation	The City of London Corporation is the Trustee for the charity	30,824 (nil)	41,533 (nil)	Distribution from the Charities Pool
Sir Thomas Gresham Charity (221982)	The City of London Corporation is the Trustee for the charity	1,463 (139,025)	1,463 (140,488)	Sir Thomas Gresham Charity entered into a 125 year lease of the site from COLA as per the agreement dated 7 December 1994

REFERENCE AND ADMINISTRATION DETAILS

CHARITY NAME: The City of London Almshouses

Registered charity number: 1005857

The Register of Social Housing Providers Number: A2266

PRINCIPAL OFFICE OF THE CHARITY & THE CITY CORPORATION:

Guildhall, London, EC2P 2EJ

TRUSTEE:

The Mayor and Commonalty & Citizens of the City of London

SENIOR MANAGEMENT:

Chief Executive

Ian Thomas CBE - The Town Clerk and Chief Executive of the City of London Corporation (appointed February 2023)

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

Treasurer

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

Solicitor

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

AUDITORS:

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

BANKERS:

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

INVESTMENT FUND MANAGERS:

Artemis Investment Management LLP, Cassini House, 57 St. James's Street, London, SW1A 1LD

Contact for The Chamberlain & Chief Financial Officer, to request copies of governance documents:

CHBOffice-BusinessSupport@cityoflondon.gov.uk